

**MASTER DEED AND DECLARATION
OF
CONDOMINIUM PROPERTY REGIME
OF
SAVANNAH SPRINGS CONDOMINIUMS**

LIG, LLC, a Kentucky limited liability company, 2309 Watterson Trail, Louisville, Kentucky 40299 ("**Developer**") declares this as the plan for ownership in condominium of certain property located in Jefferson County, Kentucky (the "**Declaration**"). This Declaration is dated May 3, 2005.

WITNESSETH:

Developer submits the following described real property and improvements now or hereafter constructed on such real property ("**Property**") to a horizontal [condominium] property regime (the "**Regime**") under the Kentucky Horizontal Property Law, Sections 381.805 through 381.910 of the Kentucky Revised Statutes, as amended from time to time (the "**Act**"):

BEING Tract, 2 as shown on the Minor Subdivision Plat approved by the Louisville and Jefferson County Planning Commission on March 24, 2004, Docket No. 052-04, which Minor Subdivision Plat is attached to and made part of the Deed dated March 24, 2004, of record in Deed Book 8393, Page 849, in the office of the Clerk of Jefferson County, Kentucky.

BEING the property conveyed to LIG, LLC, by deed dated November 20, 2003, of record in Deed Book 8305, Page 438, and by deed dated March 24, 2004, of record in Deed Book 8393, Page 849, in the office of the Clerk of Jefferson County, Kentucky.

**ARTICLE I
DEFINITIONS**

The following words and phrases shall have the following meaning in this Declaration:

Section 1.1 "Council of Co-owners" or "Council" means all of the Unit Owners acting as a group in accordance with this Declaration, any amendments thereto, the Bylaws, rules and regulations, and any other governing documents. The Council of Co-owners has been or will be incorporated as the "Savannah Springs Condominiums Council, Inc.," a Kentucky corporation, or a similar name, and references to Council shall include successors and assigns of that corporation.

Section 1.2 "Common Elements" means the general common elements of the Regime, as defined in the Act, and shall include (if actually built and except as otherwise provided or stipulated in this Declaration and amendments to this Declaration) the following:

- (a) the land on which buildings stand;
- (b) the foundations, main walls, roofs and communication ways;
- (c) to the extent not included in a Unit, any halls, lobbies, entrances and exits;
- (d) the grounds, landscaping, walkways, roadways and parking areas that are not allocated by the Board, pursuant to this Declaration or amendments to this Declaration, for the exclusive use of a Unit owner;
- (e) compartments or installations for central services such as energy, communication or utilities;
- (f) all other devices or installations existing for common use, and all other elements of the buildings rationally of common use or necessary to their existence, upkeep and safety; and
- (g) a clubhouse and recreational facilities.

Section 1.3 "Limited Common Elements" means those Common Elements which are reserved by this Declaration or amendments to this Declaration, by the recorded floor plans, by agreement of all Owners, or, in the case of garages that are not part of a Unit, initially by the designation of Developer, for the use of a certain Unit or number of Units to the exclusion of other Units, including without limitation:

- (a) interior unfinished surfaces of each Unit's perimeter walls, ceilings and floors and space between floors;
- (b) entrances and exits to the Unit;
- (c) attics (meaning any space between the roof of a building and the ceiling of a Unit), crawl spaces, basements (if any, and if not included in a Unit as shown on the final "as built" plans referred to in Section 2.2), slabs, balconies, stoops, patios, porches, decks, if any,

now (or hereafter if approved by the Board) attached to or assigned to a particular Unit and whether or not shown on the "as built" plans;

- (d) utility service facilities serving a Unit or several Units, including the air conditioning and heating equipment and systems;
- (e) doors and door frames and windows, window panes and window frames for each Unit;
- (f) certain garage spaces, with such garage Limited Common Elements being assigned to a specific Unit by Developer for a cost; such garage Limited Common Elements shall remain a Limited Common Element for the benefit of the Unit to which it was initially assigned until sold or transferred as a Limited Common Element for the benefit of another Unit (and each such garage Limited Common Element must always be for the benefit of a Unit or Unit and may not be sold to any person or entity who is not a Unit owner). If there is a sale or transfer separate from the Unit to which it is assigned, the transferor and transferee owner shall notify the Board of the transfer.
The interior of each such garage Limited Common Element shall be maintained by the Owner of the Unit to which it is assigned from time to time, with the structural portion, including without limitation the roofs, to be maintained by the Council as other Common Elements are, subject to the provisions of section 7.4 of the Declaration providing for additional assessments to be made for such maintenance, repair and utilities;
- (g) driveways serving one Unit, which shall be a Limited Common Element for such Unit; and
- (h) with respect to certain but not all buildings, certain designated storage areas, which are shown on the as built plans and which are referenced on, initially, Exhibit A to this Declaration and on subsequent amended Exhibits A as contemplated by section 2.4 of this Declaration; with any areas delineated as Limited Common

Elements but not assigned specifically to a Unit on Exhibit A being Limited Common Elements for the entire building in which they are located, subject to the control of Developer or the Board.

Section 1.4 "Unit or "Condominium Unit" means the enclosed space consisting of one or more rooms as measured from interior unfinished surfaces, having direct access to the Common Elements. The location and extent of each Unit are as shown on the plans of the Regime recorded with this Declaration, including in some instances garages that are attached to and part of a Unit as shown on the "as built" plans (in other instances garages are Limited Common Elements as set forth above). Notwithstanding that some of the following might be located in the Common Elements or Limited Common Elements, the plumbing, heating, and air conditioning equipment (including all ducts and pipes), electrical wiring and equipment, hot water heater, telephone lines, cable television lines, window panes, doors (including storm and screen doors, if any), windows, halls, stairways and other equipment located within or connected to a Unit for the sole purpose of serving that Unit exclusively, are a part of the Unit; the maintenance, repair and replacement of same being the responsibility of the Unit owner.

Section 1.5 "Common Expenses" means and includes all charges, costs and expenses incurred by the Council for and in connection with the administration and operation of the Regime, including without limitation: maintenance, repair, replacement and restoration (to the extent not covered by insurance) of the Common Elements; any additions and alterations thereto; all labor, services, materials, supplies and equipment therefor; all liability for loss or damage arising out of or in connection with the Common Elements and their use; all premiums for hazard, liability and other insurance with respect to the Regime; all liabilities incurred in acquiring a Unit pursuant to judicial sale; all administrative, accounting, legal and managerial expenses; amounts incurred in replacing or substantially repairing capital improvements of the Regime, including roof repair and replacement, and road, driveway and parking area resurfacing; all reserve funds established by the Council; all charges for utilities not separately metered or otherwise allocated; and garbage collection; provided, however, if the rate for any of the common utilities or garbage collection service is increased as a result of a particular owner's excessive use, the Board may collect such increase from the Unit owner.

(a) Developer currently contemplates that the Regime will consist of approximately 18 buildings and 100 Units, but this expression of intent does not obligate Developer, its successors or assigns, to construct all such Units, nor does this expression of intent prohibit Developer from constructing more or fewer Units or changing its current development plan to meet market conditions. If expanded, the percentage of common interest appurtenant to each Unit in the Regime shall be redistributed on an as-built basis upon completion of additional Units. The redistribution shall be done by an amendment or amendments to this Declaration.

(b) Developer hereby reserves for itself, its successors and assigns, for a period of 8 years from the date of this Declaration, the right to execute on behalf of all contract purchasers, Unit Owners, mortgagees or other lien holders, or other parties claiming a legal or equitable interest in the Regime, any amendment, agreement or supplement that may be required to expand the Regime, and by taking any interest in the Regime or by taking any interest in a Unit, each such person or entity shall be deemed to have granted to Developer a power of attorney for such purposes, coupled with an interest, running with the Regime or Unit, as applicable, and binding upon the successors or assigns of any of the foregoing parties, with that power of attorney not being affected by the death or disability of any principal or by the lapse of time. Developer, for itself, and for its successors and assigns, reserves an interest in any real estate, including the Regime and each Unit, for these purposes. This interest reserved by Developer and the power of attorney hereby granted by each interest holder includes the right to amend the percentage of common interest appurtenant to each Unit and to amend and supplement Exhibit A accordingly, to assign Limited Common Elements, and otherwise to amend this Declaration to supplement the floor plans to accomplish the expansion of the Regime, as contemplated by this Section.

Section 2.5 Property Taxes. Ad valorem real property taxes are or will be assessed against each Unit separately by the appropriate governmental authority(ies) with jurisdiction and are the responsibility of the applicable Unit Owner. Nothing in the Declaration shall be construed as giving any Unit Owner any right of contribution or adjustment against other Unit Owner or the Council or Developer on account of any deviation by any such governmental authority(ies) with jurisdiction from the percentages of ownership set forth in any valuation or assessment against the Unit owned by such Unit Owner.

Section 2.6 Maintenance and Repair Obligations. In addition to or as a supplement to each Unit Owner's obligations as set forth in this Declaration or in law, the Unit Owners shall have the following maintenance and repair obligations.

(a) To maintain, repair, and replace at the expense of such Unit Owner all portions of the Unit except portions to be maintained, repaired, and replaced by the Council, including all finishes from and inside the interior face of the drywall, ceilings and floors constituting the boundary of the Unit which may be necessary to maintain the good appearance and condition of the Unit. Such maintenance, repair, and replacement shall not change the appearance of any portion of the exterior of the building or Unit without prior approval of the Board.

(b) To maintain, repair, and replace at the expense of each Unit Owner the appliances and fixtures (including alarm and sprinkler systems) 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, heating and air conditioning equipment (including HVAC units in the common elements that solely serve a single unit), interior and exterior lighting fixtures, refrigerators, dishwashers, disposals, built-in microwaves, ranges, hoods and fans, sinks, lamps, interior doors, telephones or any electric, or water pipes or lines or wires or conduits or ducts serving any such appliances and fixtures.

(c) To report promptly to the Council any defect or need for repairs for which the Council is responsible.

(d) To maintain, repair, or replace at the expense of such Unit Owner all portions of the Unit which could cause injury or damage to the other Units or to the Common Elements.

(e) To perform the responsibilities of such Unit Owner in such a manner and at such reasonable hours so as not to unreasonably disturb other Unit Owners.

(f) A Unit Owner shall be liable for the entire expense of any maintenance, repair, or replacement of any part of the condominium project, whether part of a Unit or part of the general Common Elements or limited Common Elements, if such maintenance, repair, or replacement is rendered necessary by any negligent act or omission of the Unit Owner, or any member of the family, or guests, employees, agents, or lessees of such Unit Owner. If any Unit Owner fails to

undertake any such maintenance, repair, or replacement within 10 days after the Board notifies such Unit Owner in writing that the Board has determined that such maintenance, repair, or replacement is the responsibility of such Unit Owner under this section, the Board may undertake such maintenance, repair, or replacement, and the cost thereof shall be a lien on the Unit owned by such Unit Owner until paid by the Unit Owner, and such lien shall be subject to the same remedies as are provided in this Declaration for nonpayment by a Unit Owner Common Expenses.

ARTICLE III EASEMENTS

Section 3.1 Easements for Encroachment, Access and Utilities. The Units, Common Elements and Limited Common Elements shall have and be subject to the following easements:

(a) An easement exists for any maintenance, repair and replacement of any and all pipes, wires, conduits, or other utility lines running through or around any Unit (including those common facilities located above a suspended ceiling), which facilities serve more than one Unit and are part of the Common Elements.

(b) An easement exists for ingress and egress for the maintenance, repair and replacement of any load bearing wall located within a Unit.

(c) If any part of the Common Elements encroaches upon any Unit or Limited Common Element, an easement shall exist for the encroachment, the maintenance, repair and replacement thereof, so long as it continues. If any building of this Regime shall be partially or totally destroyed and then rebuilt, minor encroachments on any parts of the Common Elements due to reconstruction shall be permitted, and easements shall exist for the encroachments.

(d) An easement exists for ingress, egress and maintenance in favor of any public utility providing utility service to the Regime and the Units.

(e) An easement exists in favor of the Council of Co-owners, exercisable by the Board of Administration and its agents, to enter any Unit or any Limited Common Element from time to time during reasonable hours, as may be necessary for the operation of the Regime (including the right to inspect Common Elements), on in the event of emergency, for necessary action to prevent damage to any part of the Regime.

(f) Developer reserves the right during development to grant, transfer, cancel, relocate, and otherwise deal with all utility and other easements now or hereafter affecting the Common Elements.

Section 3.2 Reservation of Easements by Developer. To benefit land that may never be brought into the Regime, Developer reserves any and all sanitary sewer lines, storm sewer lines, telephone lines, electricity or other power lines, cable television lines, rights of way for ingress and egress and any other lines or accompanying easements. Developer reserves the right to connect, at Developer's expense, to any such lines and/or easements. These reservations of easements shall be construed broadly in favor of Developer to facilitate the development of real estate that may never be brought into the Regime.

Section 3.3 Utilities; Underground Utility Service.

(a) Each Owner's electric utility service lines shall be underground throughout length of service lines from Louisville Gas & Electric's (LG&E's) point of delivery to customer's building, and title to the service lines shall remain in and the cost of installation and maintenance thereof shall be borne by the respective Owner upon which said service line is located or utilizing such line.

Appropriate easements are hereby dedicated and reserved to each property owner, together with the rights of ingress and egress over abutting properties to install, operate and maintain utility service lines to LG&E's termination points. Electric service lines, as installed, shall determine the exact location of said easements.

The electric, telephone and other easements shown on any plat or other drawing shall be maintained and preserved in their present condition and no encroachment therein and no change in the grade or elevation thereof shall be made by any person or owner without the express written consent of Louisville Gas and Electric Company or Bell South or other service providers, and their respective successors and assigns.

(b) Easements for overhead electric transmission and distribution feeder lines, poles and equipment appropriate in connection therewith are reserved over, across and under all spaces (including park, open and drainage space area) outlined by appropriate lines on any plat or other easement drawing and designated for underground and overhead facilities.

Above ground electric transformers and pedestals may be installed at appropriate points in any electric easement. In consideration of LG&E bringing service to the property, it is granted the right to make further extensions of its lines from all overhead and underground distribution lines.

ARTICLE IV PERMANENCY OF INTEREST

Section 4.1 Alteration and Transfer of Interests. The Common Elements and easements appurtenant to each Unit shall have a permanent character and shall not be altered without the consent of the Board of Administration and the Unit owner affected. The Common Elements and easements shall not be separated from the Unit to which they appertain, and shall be deemed to be conveyed, leased or encumbered with the Unit even though the Common Elements or easements are not expressly mentioned or described in the conveyance or other instrument.

Section 4.2 Partition. The Common Elements shall remain undivided and shall not be the object of any action for partition or division of any part thereof except as provided by the Act.

ARTICLE V RESTRICTIONS

The Units and the Common Elements and Limited Common Elements shall be subject to the following restrictions, which restrictions shall be permanent:

Section 5.1 Use. The Unit shall be used only for single family residential purposes; provided during development and construction of the Regime, Developer may use one or more units as a sales office or model. The Unit shall be subject to such limitations and conditions as may be contained herein, or in the Bylaws of the Council, or any Rules and Regulations that may be adopted from time to time by the Board as to the use and appearance of the Units and the Common Elements.

Section 5.2 Subdivision. There shall be no subdivision or partition of any Unit without the prior written approval of the majority of the Board. If such approval is granted, such subdividing shall not alter or diminish the voting rights or the percentage of interest in the Common Elements previously allocated to the Unit undergoing such subdividing.

Section 5.3 Leases. Any Unit lease shall be in writing and shall be subject to this Declaration, the Bylaws and Rules and Regulation, and a copy of such lease shall be delivered to

the Board (rent may be redacted). **Section 5.4 Fences.** No fence, patio, wall, above or below ground pool, antenna or receiver/transmitters (including there commonly known as "satellite dishes"), outbuilding or shed, or any other structure or placement of any kind or nature shall be erected or located anywhere in the Common Elements or Limited Common without the prior written approval of Developer or the Board. No lease shall have an initial term of less than 180 days. No amendment may be made to this Declaration prohibiting leasing of Units.

Section 5.5 Common Elements. As set forth above and as required by Kentucky law, each Owner owns only the Owner's Unit, the parameters of which are defined above. Accordingly, no Owner or any other person may, without the prior written consent of the Board, place anything in the Common Elements of the Regime or attach or exhibit anything on the outside walls of buildings or on porches, and, without in any way limiting the generality of the foregoing, all of the following are expressly forbidden in any of the Common Elements and Limited Common Elements: (a) trees, shrubs, flowers, plants, crops or other landscaping material, (b) decorations, including seasonal decorations, (c) personal property of any sort, (d) gasoline or charcoal or any other type of grill using explosive or flammable material, including without limitation charcoal grills, and (e) play equipment, toys, playpens, bicycles, wagons, benches, chairs or other recreational equipment. Anything placed or left in the Common Elements in violation of these provisions shall be at the sole risk of the Owner or other person so placing it and anything so placed or left may be removed by or at the direction of the Board at the Owner's cost and expense and without any liability to the Board or those authorized by the Board. Neither the Council nor the Board nor any authorized officer or agent of employee of the Council, the Board or any agent of the Board shall be under any obligation to remove or police the areas, but they shall have the right, power and authority to do so.

Section 5.6 Parking. Except (a) as set forth in this Declaration with respect to driveway parking areas that are Limited Common Elements for the use of the Unit served by the driveway, and (b) as set forth in this Declaration with respect to garage spaces that are Limited Common Elements for the use of a particular Unit, and (c) for certain parking spaces that are assigned to or designated for the use of a particular unit by Developer or the Board [which assignment or designation may be by signage or written assignment made from time to time by Developer or the Board, and once a particular parking space is assigned to or designated for the

use by one Unit, such assignment or designation shall not be withdrawn without the consent of the Owner of the Unit to which a parking space is designated or assigned], all other general and unassigned or undesignated and shall be available for use by all Unit Owners, their tenants, guests and invitees, subject to reasonable Rules and Regulations that may be imposed by the Board in a uniform manner. No vehicle shall be parked on any street or in the grass or other portions of the general Common Elements, except only in areas designated for parking. No vehicles that, because of their size, take up more than one standard parking space are allowed anywhere in the general Common Elements.

Section 5.7 Clubhouse and Facilities. The clubhouse and related facilities that are part of the general Common Elements will have an exercise room and restrooms that will be available to all Unit Owners by key. The remaining portions of the clubhouse and related facilities will be available to Unit Owners by reservation with the Board, subject to such Rules and Regulations as the Board determines from time to time, including possibly the imposition of security deposits, cleaning fees or rental fees.

Section 5.8 Penalties; Interpretation. Violation of this Declaration, the Bylaws or any rules adopted by the Board of Administration, may be remedied by the Board, or its agent, by the imposition of reasonable fines or by legal action for damages, injunctive relief, restraining order, or specific performance and, with respect to parking violations, by towing at the expense of the Unit Owner or vehicle owner. In addition, an aggrieved Unit owner may maintain a legal action for similar relief. A Unit owner in accepting ownership of a Unit agrees to become subject to this enforcement in the event of violation. In the event of a dispute over provisions of this Declaration or the Rules and Regulations, the determination of the Board shall be final and binding.

ARTICLE VI ADMINISTRATION

Section 6.1 Council of Co-Owners; Voting. The administration of the Regime shall be vested in a Council of Co-owners consisting of all the Unit owners of the Regime. The Owner of any Unit, upon acquiring title, shall automatically become a member of the Council and shall remain a member until such time as his ownership of such Unit ceases for any reason, at which time his membership in the Council shall automatically cease. By becoming a member, each Unit owner shall have one vote for each Unit owned. If more than one person or entity owns a Unit, their one

vote shall be exercised as they determine among themselves, but no vote may be split and, if the owners of a Unit cannot agree among themselves as to the vote, no vote shall be allowed.

Section 6.2. Developer's Proxy Rights. The administration of the Regime, including the adoption and amendment of Bylaws, adoption of rules, assessment of Common Expenses and all other matters relating to the administration of the Regime, is vested in the Developer until (i) 120 days from the date at least 95% of the Units contemplated for the Regime have been conveyed to third parties; (ii) until the Developer elects to surrender this power to the Unit owners; or (iii) until eight (8) years from the date this Declaration is recorded, whichever first occurs. Until that time, the Developer shall constitute the Council of Co-owners and the Board of Administration, and shall possess the irrevocable proxy of the Unit owners to operate and administer the Regime during this time, which proxy each Unit owner automatically grants upon acceptance of a deed to a Unit. All Unit owners, by acceptance of a deed to a Unit, agree to this administration of the Regime by the Developer.

Section 6.3 Administration of the Regime. Administration of the Regime, including the use, maintenance, repair, replacement and restoration of the Common Elements, and any additions and alterations to them, shall be in accordance with the provisions of the Act, this Declaration, the Bylaws of the Council, and all rules adopted by the Board of Administration. Specifically (but not exclusively) the Council shall:

(a) Maintain, repair and replace all improvements in the General Common Elements that may be required by law to be maintained, repaired, and replaced upon, adjoining, in connection with, or for the use of any part of the Regime.

(b) Keep all General Common Elements in a clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority, where applicable to the Regime.

(c) Well and substantially repair, maintain and keep all General Common Elements of the Regime in good order and condition; maintain and keep said land and all adjacent land between any street boundary of the Regime and the established street line in a neat and attractive condition, including keeping all trees, shrubs and grass in good cultivation; replant the same as may be necessary and repair and make good all defects in the Common Elements of the Regime required in this instrument to be repaired by the Council.

(d) Except as may be provided herein, in the Bylaws and Regime Rules, keep all Limited Common Elements in a clean and sanitary condition and well and substantially repair, maintain and keep them in good order and condition, subject to the provisions of section 7.4 of this Declaration.

(e) Observe any setback lines affecting the Regime as shown on the plans herein mentioned.

(f) Not make or suffer any waste or unlawful, improper or offensive use of the Regime.

(g) Regulate the use of the Common Elements and Limited Common Elements.

Section 6.4 Board of Administration. Administration of the Regime shall be conducted for the Council by a Board of Administration (the Developer during the period outlined in Section 6.2) elected by the Co-Owners in accordance with the Bylaws. The Board shall be authorized to delegate the administration of its duties and powers by written contract to a professional managing agent or administrator employed for that purpose by the Board so long as such contract does not exceed three years in duration and is cancelable by the Board upon 90 days prior written notice, without penalty or charge. It shall be the duty of the Board to determine annually, subject to the approval of the Council, the estimated Common Expenses of the Regime for the succeeding twelve months, and, having so determined, to make and collect the assessment monthly from each Unit owner, as set forth in Article VII. Where no such determination is formally made for any year, the calculations utilized for the previous twelve months shall remain in effect until such oversight is corrected. The Board shall keep detailed accounts of the receipts and expenditures affecting the Regime and its administration. Such books and records shall be available for examination by any Unit owner upon reasonable request and at such reasonable times and location as maybe specified by the Board.

Section 6.5 Availability of Records. The Council shall make available to Unit Owners, to prospective purchasers, and to holders or insurers of mortgages on any Unit current copies of this Declaration, the bylaws, the rules and regulations, and books records and financial statements, during normal business hours or under other reasonable circumstances.

Section 6.6 Notices. Upon written request of any holders, guarantors or insurers of mortgages on Units, the Council shall give notice to any such holder, guarantor or insurer timely

written notice of (a) any amendment changing (i) the boundaries of any Unit or any easement rights appertaining thereto, (ii) the interests in the General or Limited Common Elements (other than changes contemplated by section 2.4 of this Declaration regarding the expansion of the Regime), (iii) the number of votes appertaining to any Unit, or (iv) changing the purposes to which any Unit or the Common Elements are restricted; and (b) proposing a termination of the Regime; and (c) any condemnation or casualty loss that affects a material portion of the Regime or any Unit on which there is a first mortgage held, insured or guaranteed by such qualified holder; and (d) any lapse, cancellation or material modification of any insurance policy maintained by the Council.

ARTICLE VII ASSESSMENTS

Section 7.1 Covenant for Assessments. The proportionate share of each owner of each Unit in the common surplus and the Common Expenses of the condominium project is equal to the percentage of common interest appurtenant to the Unit of that Owner. The initial percentage of common interest appurtenant to each Unit has been set out in **Exhibit A** to this Declaration, with such percentages to be altered by amendment to this Declaration in accordance with Section 2.4 of this Declaration. Each person and/or entity who becomes an Owner of a Unit whether or not it shall be so expressed in any such deed or other form of conveyance, shall be deemed to covenant and agree to pay to the council the Unit's share of assessments as fixed, established, and collected from time to time as hereinafter provided. All assessments, together with interest thereon at a lawful rate established from time to time by the Board (initially ten (10%) percent per annum) and costs of collection (including a lien preparation charge, filing fees, court costs, and reasonable attorneys fees) shall be a charge and a continuing lien upon the Unit against which the assessment is made, and shall also be the personal obligation, jointly and severally, of the Owner or Owners of the Unit at the time when the assessment fell due.

Section 7.2 Determination of Regular Assessment, Reserves, Special Assessments, Fine Assessments, Expansion, Start Up Assessment.

(a) The Council, acting through the Board, shall, from time to time, but not less than once every twelve (12) months, determine the amount of the regular total assessment necessary to defray the Common Expenses for a given period not to exceed twelve (12) months. When setting the regular total assessment, the Council should include both (A) those funds required during the period for general operating purposes, and (B) reserve funds to be used to help defray the

cost of future capital improvements. All funds required for general operating purposes under (A) above may be held in the name of the Council. All funds required for reserves for capital improvements under (B) above shall be held in an account in the name of the Council, for the benefit of all of the Unit owners in the Regime. Each Unit owner, by the acceptance of a deed, does authorize the disbursal of any and all of the escrow funds solely upon the written authorization of the Board.

(b) Each Unit Owner is liable to pay that percentage of the regular total assessment that is equal to his or her Unit's percentage of the common interest, as determined by the Council. Notwithstanding the foregoing sentence, for an unoccupied Unit owned by the Developer, the Developer is only liable for seventy percent (70%) of the assessment which it would otherwise have to pay for the Unit, such reduction being based on the provisions of KRS 381.870 allowing an adjustment based on such considerations as the fact that such Units are unoccupied and have a lower or non-existent demand on common utilities such as water and sewer and garbage collection. If the Unit becomes occupied, the Developer must thereafter begin paying a full assessment for that Unit.

(c) The Council may from time to time levy special assessments for reasonable purposes. The special assessment may be levied against one Unit, or a group of Units or all of the Units, as circumstances reasonably warrant according to the Unit or Units benefited by the assessment. If the assessment is apportioned among Units, the method of apportionment shall be based upon square feet unless for some reason that method would be very unfair. In that case, Council can determine another reasonable method of apportionment.

(d) If the Regime is expanded during a given year and additional Units are brought into the project, the new Unit shall pay the same assessment per square foot as the existing Units are paying for that assessment year. If in the Council's sole discretion, such a rate would not be reasonable, the Council may adjust the rate up or down for those new Units until the next annual assessment is made.

(e) The Council may levy a reasonable assessment, as a fine or penalty for violation of this Declaration. A lien may be filed for this assessment and this assessment may be enforced by foreclosure and otherwise treated as a regular assessment.

(f) A special working capital assessment, due from the buyer at or about the time of closing, arises against a Unit upon the initial transfer of record of the Unit from the Developer (or successor developer or designated developer) to the Unit owner (other than a successor developer or designated developer). The special assessment shall be in an amount equal to the sum of two months of the full regular assessment. It shall be collected at closing and paid to the Council for use by the Council for Common Expenses. This special assessment is in addition to the regular assessment. Any reduced assessment on the Unit ends as of the first day of the month immediately following the month in which title was transferred of record from the Developer (or successor developer or designated developer).

Section 7.3 Billing. The Council shall inform each Unit owner of the amount of the total assessment due from the Owner of that particular Unit. The Owner of each Unit must pay his or her Unit's required assessment in advance each month. Payment is to be made to such person at such an address as Council determines. Payment shall be due on the first day of each month, unless the Council otherwise directs. Special assessments are due thirty (30) days after the bill for the special assessment has been mailed or otherwise sent out by Council, unless the Council otherwise directs. If the Regime is expanded and additional Units are brought into the Regime during a given assessment year, those additional Units shall begin paying an assessment on the first day of the month immediately following the month after the Units were brought, of record, into the Regime.

Section 7.4 Limited Common Element Assessment. An additional assessment may be made by the Council against any Unit to pay any expense resulting from a Limited Common Element benefiting that Unit. The assessment must be reasonable. The assessment should be apportioned among the Units (if more than one) using the Limited Common Element in a fair and reasonable manner. The assessment may be a regular, annual assessment and may be billed and included as part of the regular annual assessment described in Section 7.2 above. Without limiting the generality of the foregoing, Developer expressly provides that Owners of Units having a garage Limited Common Element assigned to such Units will pay an additional assessment for utility service to such garage Limited Common Elements and for the maintenance (including a reserve for replacement) of such garage Limited Common Elements and the Owners of Units having a driveway Limited Common Element will pay an additional assessment for maintaining such driveway.

Section 7.5 Assessment Certificate. The Council, shall upon demand, at any reasonable time, furnish to any owner liable for assessment a certificate in writing signed by an officer or other authorized agent of the Council, setting forth the status of said assessment; i.e., "current", and if not current, "delinquent" and the amount due. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid. A reasonable charge to cover labor and materials may be made in advance by the Council for each certificate.

Section 7.6 Non-Payment of Assessment. Any assessments (including special assessments) levied pursuant to this Declaration which is not paid on the date when due shall be delinquent and shall, together with such interest and other costs as set out elsewhere in this Declaration, thereupon become a continuing lien upon the Unit which shall bind the Unit in the hands of the then Owner and the Owner's successors and assigns.

If the assessment is not paid within fifteen days after the due date, the assessment shall bear interest at a reasonable rate set by the Board in its minutes, and the Council may bring an action at law against the Unit owner personally obligated to pay the same and/or foreclose the lien against the Unit, in either of which events interest, costs and reasonable attorneys fees shall be added to the amount of each assessment. No Owner may waive or otherwise escape liability for the assessments by non-use or waiver of use of the Common Elements or by abandonment of his Unit.

The lien of the Council is against not only the Unit but also the percentage of common interest in the Common Areas appurtenant to the Unit, including any funds held for the benefit of the Unit.

Section 7.7 Priority of Council Lien. The lien provided for in this Article shall take priority over any lien or encumbrance subsequently arising or created, except liens for real estate taxes and assessments and liens of bona fide first mortgages or vendor's liens which have been filed of record before notice of this lien has been filed of record, and may be foreclosed in the same manner as a mortgage on real property in an action brought by the Council. The Council is entitled to recover its reasonable attorneys fees and court costs and collection costs, as part of the lien. In any such foreclosure action, the Council shall be entitled, but not obligated, to become a purchaser at the foreclosure sale.

Section 7.8 Disputes as to Common Expenses; Adjustments. Any owner who believes that the portion of common expenses chargeable to her Unit, for which an assessment lien

has been filed by the Council, has been improperly charged against that owner or the Unit, may bring action in an appropriate court of law. The Council in its reasonable discretion may, in order to prevent manifest injustice, adjust (increase or decrease) the assessment for any Unit based upon a consideration of the following factors: the floor area of the Unit; the number of occupants in the Unit; or the demand on public utilities by the occupants of the Unit; the accessibility of the Unit to Limited Common Areas. The Council in its reasonable discretion may abate or reduce a Unit's assessment for a reasonable period of time, during which a Unit is uninhabitable, through no fault of the Owners, as a result of damage or destruction.

Section 7.9 Purchaser at Foreclosure Sale Subject to Declaration, Bylaws, Rules and Regulations of the Council.

Any purchaser of a Unit at a foreclosure sale shall automatically become a member of the Council and shall be subject to all the provisions of this Declaration, the Bylaws and the Rules and Regulations.

Section 7.10 Non-Liability of Foreclosure Sale Purchaser for Past Due Common Expenses.

When the mortgagee of a first mortgage of record or other purchaser of a Unit acquires title to the Unit as a result of foreclosure of the first mortgage or by deed in lieu of foreclosure, such acquirer of title shall not be liable for the share of the Common Expenses or other assessments by the Council chargeable to such Unit which became due prior to the acquisition of title to the Unit by such acquirer. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible for all of the Units, including that of such acquirer, its successors or assigns. However, the Council's lien rights may be asserted against surplus proceeds of any judicial sale or against any payments made by the mortgagee to the owner mortgagor in the case of a deed in lieu of foreclosure.

Section 7.11 Liability for Assessments Upon Voluntary Conveyance.

The personal obligation of each Owner to pay the assessment against the Unit shall pass to any subsequent grantee who takes title through contract, operation of law, or through any other method or instrument other than a commissioner's deed or other court ordered deed or other than a deed to a mortgagee in lieu of foreclosure. The original owner shall not be released from the obligation of the assessment, but instead will be jointly and severally liable with the subsequent

grantee. However, any such grantee or proposed grantee shall be entitled to an assessment certificate as described elsewhere in this Article, and such grantee shall not be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid assessment made by the Council against the grantor in excess of the amount set forth in the assessment certificate for the period reflected in the assessment certificate. This section shall not prejudice the right of the grantee to recover from the grantor the amounts paid by the grantee for the assessment which was also the obligation of the grantor.

Section 7.12 Late Charge. The Council may make a reasonable late charge or charges for any assessment, or installment of an assessment, not paid when due. This late charge shall also be a part of the assessment and shall also be continuing lien upon the Unit and shall otherwise be treated and collected in the same manner as the assessment.

Section 7.13 Miscellaneous.

(a) The Council may change the interest rate due on delinquent assessments, except that the rate cannot be changed more often than once every six months. As of its effective date, the new interest rate will apply to all assessments then delinquent.

(b) The Unit owner has the sole responsibility of keeping the Council informed of the owner's current address if different from the Unit owned. Otherwise, notice sent by the Council to the Unit address is sufficient for any notice requirement under this Declaration.

(c) The lien under this Article arises automatically, and no notice of lien need be recorded to make the lien effective.

(d) The assessment lien includes all collection costs, including demand letters, preparation of documents, reasonable attorneys fees, court costs, filing fees, and any other expenses incurred by the Council in enforcing or collecting the assessment.

(e) If any Common Element, including any Limited Common Area, is intentionally or negligently damaged or destroyed through the act or omission of any Unit owner, the Council may make an individual assessment against the owner and the owner's Unit for the expenses involved in making repairs and in making and/or enforcing the assessment, including reasonable attorneys fees.

(f) Any assessment otherwise payable in installments, shall become immediately due and payable in full without notice upon default in the payment of any installment. The acceleration shall be at the discretion of the Board.

Section 7.14 Notice to Mortgagees. If any holder of a first mortgage on any Unit requests in writing to the Council to be notified of any delinquency in the payment by the Owner of the Unit affected by such holder's mortgage, then the Council will so notify the holder of such mortgage at the address specified in the notice request of any default in the performance by that Unit Owner of any covenant or agreement applicable to the Unit Owner under this Master Deed, or any violation of this Master Deed, including but not limited to the non-payment of assessments, if the default is not cured within 60 days of the date of default or violation.

ARTICLE VIII

INSURANCE

Section 8.1 General Insurance. The Council shall carry a master policy of fire and extended coverage, vandalism, malicious mischief and liability insurance, and if required by law, worker's compensation insurance with respect to the Regime and the Council's administration thereof in accordance with the following provisions:

(a) The master policy shall be purchased by the Council for the benefit of the Council, the Unit Owners and their mortgagees as their interest may appear, subject to the provisions of this Declaration and the Bylaws. The "master policy" may be made up of several different policies purchased from different agencies and issued by different companies.

All buildings and other Common Elements shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount not less than one percent (100%) of the replacement value thereof (excluding land, foundations, excavation and other items normally excluded from such coverage) and other improvements and betterments, as determined from time to time by the Council. The Council may elect to carry insurance to cover such other perils from time to time shall be customarily covered with respect to buildings and improvements similar in construction, location and use. The policy shall contain an "agreed amount endorsement" or its equivalent and where available at reasonable cost an "inflation guard endorsement". The Council shall not be required to insure any part of the condominium project within the boundaries of individual Units except structural columns, load-bearing walls and pipes,

conduits, wires or other installations for the provision of services to the entire building housing such a Unit or Units that happen to pass through a particular Unit.

(c) The Council shall try to have its liability insurance contain cross-liability endorsements or appropriate provisions to cover liability of the Unit Owners, individually and as a group (arising out of their ownership interest in the Common Elements), to another Unit Owner. The Council shall reasonably determine the amount of such insurance.

Section 8.2 Fidelity Insurance. The Council may carry fidelity coverage against dishonest acts on the part of officers and employees, members of the Council, members of the Board, trustees, employees or volunteers responsible for the handling of funds collected and held for the benefit of the Unit Owners. The fidelity bond or insurance must name the Council as the named insured and shall be written in an amount sufficient to provide protection which is not less than the total annual assessments plus all accumulated reserves and all other funds held by the Council either in its own name or for the benefit of the Unit Owners.

Section 8.3 Directors' and Officers' Errors and Omissions Insurance. The Council shall purchase insurance to protect itself and to indemnify any director or officer, past or present, against expenses actually and reasonably incurred by a director or officer in connection with the defense of any action, suit proceeding, civil or criminal, to which he is made a party by reason of being or having been such director or officer, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty to the Council; or to obtain such fuller protection and indemnification for directors and officers as the law of Kentucky permits. The policy or policies shall be in an amount to be reasonably determined by the Council.

Section 8.4 Premiums. The premiums upon insurance purchased by the Council shall be Common Expenses.

Section 8.5 Proceeds. Proceeds of all insurance policies owned by the Council shall be received by the Council for the use of the Unit Owners and their mortgagees as their interest may appear; provided, however, the proceeds of any insurance received by the Council because of property damage shall be applied to repair and reconstruction of the damaged property, except as may otherwise be permitted by this Declaration.

Section 8.6 Power of Attorney. Each Unit Owner shall be deemed to appoint the Council as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of the master policy or any other insurance policy obtained by the Council. Without limitation on the generality of the foregoing, the Council as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit the premiums therefor, to collect proceeds and to distribute the same to the Council, the Unit Owners and their respective mortgagees as their interest may appear, to execute releases of liability and to execute all documents and to do all things on behalf of such Unit Owners and the Regime as shall be necessary or convenient to the accomplishment of the foregoing; and any insurer may deal exclusively with the Council in regard to such matters.

Section 8.7 Responsibility of Unit Owner. The Council shall not be responsible for procurement or maintenance of any insurance covering the contents or the interior improvements of any Unit made nor the liability of any Unit Owner for injuries therein not caused by or connected with the Council's operation, maintenance or use of the Regime. Each Unit Owner shall obtain insurance coverage at his own expense upon his Unit's furnishings and personal property (including any personal property located in Common Elements) and for all plumbing fixtures, electrical fixtures, kitchen and bathroom fixtures, kitchen and bathroom cabinets, carpeting, paint, wallpaper, interior walls, partitioning, trim, dry wall and appliances furnished by the Developer, and other improvements and betterments not otherwise covered under the master policy referenced in section 8.1, and each Unit Owner shall obtain at such Unit Owner's sole cost and expense Betterments and Improvements insurance in the minimum amount of \$25,000, and provide evidence of such coverage to the Council upon request.. Also, each Unit Owner shall obtain comprehensive personal liability insurance covering liability for damage to persons or property of others located within such Unit Owner's Unit, or in another Unit in the project or upon the Common Areas, resulting, from the negligence of the insured Unit Owner, in such amounts as shall from time to time be determined by the Council but initially not less than \$300,000, and each Unit Owner shall provide evidence of such coverage to the Council upon request.

Section 8.8 Release. All policies purchased under this Article by either the Council or the individual Unit Owners shall provide for the release by the issuer thereof of any and all rights of subrogation or assignment and all causes and rights of recovery against any Unit Owners, member

of their family, their employees, their tenants, servants, agents and guests, the Council, any employee of the Council, the Board, or any occupant of the Regime, for recovery against any one of them for any loss occurring to the insured property resulting from any of the perils insured against under the insurance policy.

Section 8.9 Approximate Coverage. If any of the required insurance coverage under this Article becomes or is impossible to obtain or can be obtained only at an unreasonable cost, the Council shall obtain coverage which most closely approximates the required coverage, if such substitute insurance is available.

Section 8.10 Additional Policy Requirements. All such insurance coverage obtained by the Council shall be written in the name of the Council, for the use and benefit of the Council, the Unit Owners and their mortgagees, as further identified below. Such insurance shall be governed by the provisions hereinafter set forth:

(a) Exclusive authority to adjust losses under policies in force on the Regime obtained by the Council shall be vested in the Council provided, however, that no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(b) In no event shall the insurance coverage obtained by the Council hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their mortgagees, and the insurance carried by the Council shall be primary.

(c) All casualty insurance policies shall have an agreed amount endorsement with an annual review by one or more qualified persons.

(d) The Council will secure insurance policies that will provide for the following:

- (i) a waiver of subrogation;
- (ii) that no policy may be canceled, invalidated, or suspended on account of the acts of any one or more individual Owners;
- (iii) that no policy may be canceled, invalidated or suspended on account of the conduct of any director, officer or employee of the Council or its duly authorized manager without prior demand in writing delivered to the Council to cure the defect and the allowance of a

- reasonable time thereafter within which the defect may be cured by the Council, its manager, any owner or mortgagee;
- (iv) prohibit cancellation or material modification without at least 10 days prior written notice to the Council;
 - (v) flood insurance, if the Regime or any Unit is in a flood hazard area; and
 - (vi) that any "other insurance" clause in any policy exclude individual Owner's policies from consideration.

Section 8.11 Other Insurance Requirements. If this Project is intended to be qualified under the requirements of FHLMC, FNMA, HUD, FHA, VA or other similar program, the insurance requirements of that program are incorporated herein by reference, as they may be amended from time to time. If any insurance company is unsure of the coverage intended, it should ask for an interpretation from the Board. Otherwise, the broadest coverage shall be presumed, if there is an ambiguity.

ARTICLE IX ALTERATIONS

Section 9.1 Alterations. No alteration or improvement to the Common Elements or to the Unit which would alter or affect the Common Elements or any other Unit may be made by any unit other than Developer as contemplated by this Declaration, without the prior written consent of the Board, of Directors. This includes any change to any exterior colors or building materials. No application shall be filed by any unit owner other than Developer with any governmental authority for a permit covering an addition, alteration, or improvement to be in a Unit which alters or affects the Common Elements or other units, unless approved and executed by the Board. Such approval and execution shall not evidence any consent to any liability on the part of the Board or any individual member of the Board to any contractor, subcontractor, materialman, architect or engineer by reason of such addition, alteration, or improvement or to any person having any claim for injury to person or damage to property arising therefrom. Consent shall be requested in writing through the manager or managing agent, if any, or through the president or secretary of the Council if no manager or management agent is employed. The Board shall have the obligation to answer within 30 days. The Board may require that the Unit Owner making such improvement, alteration or addition obtain such insurance coverage and in

such amounts as the Board deems proper.

Section 9.2 Restoration of Regime. Restoration or replacement of the Regime (unless resulting from casualty destruction), or construction of any additional buildings (other than those initially contemplated in the Regime including those contemplated by Section 2.4 of this Declaration), or material alterations or additions to any building of the Regime, shall be undertaken by the Council or any Co-owners only after unanimous approval of all affected Co-Owners, and with written consent of the holders of all liens on units affected and in accordance with the complete plans and specifications approved in writing by the Board. Promptly upon completion of such restoration, alteration or replacement, the Board of Administration shall duly record the amendment with a complete set of floor plans of the Units of the Regime as so altered, certified as built by a registered architect or engineer.

Section 9.3 Reconstruction. Where casualty destruction, partial or total, of the building occurs, whether arising from events covered by insurance or not, the determination as to reconstruction shall be governed by the Act, more particularly KRS 381.890, as may be amended or supplemented from time to time. If any building is repaired or restored by the Council, the Unit Owners must repair and reconstruct the interior of such Units at the Owner's cost and within a reasonable time of the repair or reconstruction of the building housing such Units.

ARTICLE X INDEBTEDNESS

Section 10.1 Incurrence and Retirement of Indebtedness. The Council of Co-Owners, acting by unanimous vote of the Board, may borrow money from time to time for the following purposes:

- (a) To cover any budgetary deficit for operational expenses, so long as such loan can be repaid within six months from anticipated Common Expense income not needed for ongoing operations;
- (b) To buy a Unit in the Regime at a foreclosure sale;

(c) To pay costs of reconstruction, major repair, replacement or alteration of the Common Elements (to the extent not covered by insurance proceeds). There shall be no more than one authorized loan outstanding at any one time. When it is necessary to effect such a loan, the Council, acting through the Board, may pledge, as security thereon, its rights to receive that part of the monthly Common Expense income that is necessary to amortize the payoff of the loan.

ARTICLE XI GENERAL

Section 11.1 Eminent Domain. The following provisions shall control upon any taking by eminent domain:

(a) In the event of the taking of an entire Unit by eminent domain, the Unit owner and the Unit owner's mortgagee(s), as their interests may appear, shall be entitled to receive the award for such Unit taking and, after acceptance thereof, the Unit owner, the Unit owner's mortgagee(s) and other interest holder shall be divested of all interest in the Regime. If any condemnation award shall become payable to any owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Council of Co-owners on behalf of such owner. In that event, the Council shall rebuild the Unit as is necessary to make it habitable and remit the balance, if any, of the condemnation proceeds pertinent to the Unit owner thereof and the Unit owner's mortgagee(s), as their interests may appear.

(b) If there is any taking of any portion of the Regime other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Council. The affirmative vote of 51% of the Unit owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate. If no such affirmative vote is obtained, such condemnation proceeds shall be remitted to the Unit owners in accordance with their respective percentages of common interest.

(c) If the Regime continues after taking by eminent domain, then the remaining portion of the Regime shall be re-surveyed and this Master Deed amended accordingly by the Board, and, if any Unit shall have been taken, then the amended Master Deed shall reflect such taking and shall proportionately readjust the percentage of common interest of the remaining Unit owners based upon a total percentage of common interest of 100%.

Section 11.2 Amendment of Declaration.

0061010091

(a) Except as otherwise provided in this Declaration, or in the Kentucky Condominium Property Law, this Declaration may be amended from time to time by a majority of the Unit owners, effective only upon recording of the signed instrument setting forth the amendment. Without the joinder of Unit Owners, Developer may amend this Declaration to correct errors, or to clarify certain matters or to make changes appropriate to comply with the requirements of FHLMC, FNMA, HUD, FHA, VA or other similar programs.

(b) Notwithstanding the foregoing, the Regime may not be terminated without the written recorded consent of the greater of (i) the number of Unit Owners required by Kentucky law at the time of termination, or (ii) at least 67% of the Unit Owners and holders of first mortgages on such Units who have requested notice of certain matters under section 7.14 of this Declaration.

(c) No amendment that materially alters the establishment of, provision for, governance of or regulation of any of the following matters may be made to this Declaration or the Bylaws or Rules and Regulations without the written recorded consent of 67% of the Unit Owners and the holders of first mortgages on Units having at least 51% of the votes who have requested notice of certain matters under section 7.14 of this Declaration: (i) voting, (ii) assessments [not including normal annual or periodic adjustments that do not raise previously assessed amounts by more than 25%], assessment liens, or subordination of such liens, (iii) reserves for maintenance, repair and replacement of Common Elements, (iv) insurance or fidelity bonds, (v) rights to use the Common Elements, (vi) responsibility for maintenance and repair of the several portions of the Regime, (vii) expansion or contraction of the Regime or the addition, annexation or withdrawal of property from the Regime, (viii) boundaries of Units, (ix) interests in General or Limited Common Elements, (x) convertibility of Units into Common Elements or of Common Elements into Units, (xi) leasing of Units, (xii) imposition of any rights of first refusal or similar restrictions on the right of a Unit Owner to sell, transfer or otherwise convey a Unit, (xiii) establishment of self-management where professional management had been required, or (xiv) provisions for the benefit of holders, insurers or guarantors of first mortgages who have requested notice of certain matters under section 6.6 or 7.14 of this Declaration.

Section 11.3 Joinder by Lender. Commonwealth Bank and Trust Company, which has a mortgage on the Property, of record in Mortgage Book 8854, Page 792, in the office of the Clerk of Jefferson County, Kentucky, joins in this Declaration to consent to the terms and provisions of this

Declaration and to agree that the provisions contained therein shall not be extinguished by the enforcement of any rights or remedies granted to Lender in the event of a default under that mortgage.

WITNESS the signature of Developer and Commonwealth Bank and Trust Company as of the above date, but actually on the dates set forth below.

LIG, LLC

By: Vic Koestel, Manager
Vic Koestel, Manager

COMMONWEALTH OF KENTUCKY)
)SS
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me on 5-3, 2005, by Vic Koestel, Manager of LIG, LLC, a Kentucky limited liability company, on behalf of the company.

[Signature]
Notary Public
Commission expires: 2-26-2006

COMMONWEALTH BANK AND TRUST COMPANY

By: [Signature]
Title: Senior Vice President


COMMONWEALTH OF KENTUCKY)
)SS
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me on May 2nd, 2005, by Barry Osburn, as Senior Vice Pres of Commonwealth Bank and Trust Company, on behalf of the bank.

Erin F. Clare
Notary Public
Commission expires: [Stamp]



This Instrument Prepared By:



David B. Buechler
Salyers & Buechler, P.S.C.
The 1000 Building, Suite 204
6200 Dutchmans Lane
Louisville, Kentucky 40205

EXHIBIT A

000618760920

Savannah Springs
Condominiums

| Building | Unit No. | Unit Location and Type | Unit Floor Area | Percentage of Common Interest | Certain Limited Common Elements |
|----------|----------|---------------------------|-----------------|----------------------------------|------------------------------------|
| 13 | 5138 | See Plans | 1,571 | 15.31% | |
| 13 | 5136 | See Plans | 1,658 | 16.16% | |
| 13 | 5134 | See Plans | 1,903 | 18.55% | |
| 13 | 5132 | See Plans | 1,900 | 18.52% | |
| 13 | 5130 | See Plans | 1,659 | 16.17% | |
| 13 | 5128 | See Plans | 1,570 | 15.30% | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | 10,261.00 | 100.00% | |
| | | | | | |

Recorded In Condo Book

No. 108 Page 12-13
 Part No. 200

Document No.: DN2005072003
 Lodged By: SALYERS
 Recorded On: 05/09/2005 12:49:27
 Total Fees: 60.00
 Transfer Tax: .00
 County Clerk: BOBBIE HOLSCLOW-JEFF CO KY
 Deputy Clerk: CARHAR

END OF DOCUMENT