

MASTER DEED AND DECLARATION
OF
HORIZONTAL PROPERTY REGIME

THE VILLAGE AT WATTERSON WOODS VILLAGE I

THIS MASTER DEED, and Declaration (hereinafter referred to as "Master Deed"), made and entered into in the County of Jefferson, State of Kentucky on this ____ day of _____, 1978, by VILLAGE ASSOCIATES, a Kentucky General Partnership composed of Codman Company of Kentucky, a Kentucky Corporation and KPT Development Company, Inc., a Kentucky Corporation, sole partners (hereinafter referred to as the "Grantor"):

W I T N E S S E T H:

WHEREAS, the Grantor is the owner in fee simple absolute of land and premises with improvements, easements, rights of way and appurtenances thereto belonging, situated, lying and being in Jefferson County, Kentucky (which land and premises together with certain buildings and improvements heretofore constructed thereon, easements, rights of way and appurtenances thereto is hereinafter referred to as the "Property") and which land and premises is more particularly described as set out in Appendix I attached hereto.

WHEREAS, it is the express desire and intention of the Grantor to submit the said Property to a horizontal property regime pursuant to the Horizontal Property Law, Sections 381.805 through 381.910 of the Kentucky Revised Statutes, as amended, (hereinafter referred to as the "Act") which shall be known as "The Village At Watterson Woods Village I" (hereinafter sometimes referred to as the "Condominium"); and

WHEREAS, the Grantor desires to provide for the administration of the said horizontal property regime by the Association of Co-Owners of The Village at Watterson Woods Village I (hereinafter referred to as the "Association"); said Association to consist of all the Co-Owners as defined herein, each of whose membership shall automatically arise with ownership of a Unit, as defined herein, in the Condominium and cease with the termination of such ownership, all in accordance with the provisions of this Master Deed; the By-Laws attached hereto as Exhibit and made a part hereof; The Village at Watterson Woods Restrictions; and The Articles of Incorporation of the Village Community Corporation.

NOW, THEREFORE,

FIRST: The Grantor does hereby declare, establish and create The Village at Watterson Woods Village I as a horizontal property regime pursuant to the Act and does hereby submit the Property to said Condominium in accordance with the terms and conditions of this Master Deed; the attached By-Laws; the Plans recorded in the Office of the County Court Clerk of Jefferson County, Kentucky, in Apartment Ownership Book _____, Pages _____ through _____, in Clerk's File _____, which Plans are hereby incorporated by reference herein and made a part hereof; The Village at Watterson Woods Restrictions; and the Articles of Incorporation of the Village Community Corporation (hereafter the VCC).

SECOND: The Property is being submitted herewith in its entirety. The improvements shall consist of four buildings containing a total of 32 single family dwelling units or apartments as more particularly described hereinafter in Paragraph THIRD (and hereinafter referred to as "units"). The areas of the Property and of the Buildings are shown on the recorded Plans. Each Unit is capable of individual utilization; having its own exit to the common elements of the Condominium. Each of the Units, as more particularly described herein, is hereby declared to be held in fee simple and may be retained, occupied, conveyed, transferred, encumbered, inherited or devised in the same manner as any other parcel of real property independent of the other individual Units, by or to one or more owners (here referred to as "Co-Owners"), each Co-Owner being a person, corporation, trust or any other legal entity or any combination thereof which obtains a particular and unique property right in the Unit or Units and an undivided interest in the General and Limited Common Elements as defined hereinafter in Paragraph THIRD, all of the above in accordance with the provisions of the Act and subject to the conditions herein set forth.

THIRD: The Condominium is hereby divided in the manner and to the extent described herein and in the Recorded Plans into (a) Units; (b) General Common Elements; and (c) Limited Common Elements.

(a) Units: "Unit" means an apartment shown on the floor plans hereinabove described, each of which is capable of individual utilization, with its own exit to the common elements of the Condominium. The lower vertical boundary of any such Unit is a horizontal

plane (or planes), the elevation of which coincides with the elevation of the top of cement slab or upper plane of floor joists as applicable of the floors or subfloors thereof, extended to intersect the lateral or perimetrical boundaries thereof. The upper vertical boundary of any such Unit is a horizontal plane (or planes), the elevation of which coincides with the lower surface of the ceiling joists thereof, extended to intersect the lateral or perimetrical boundaries thereof. The lateral or perimetrical boundaries of any such Unit are vertical planes which coincide with the unexposed surfaces of the perimeter walls of the Unit, to include the perimeter dry wall, plenums, windows and doors thereof, extended to intersect the upper and lower vertical boundaries of the Unit. Mechanical equipment and appurtenances located within or contiguous with any one Unit and designed to serve only that Unit, such as appliances, range hoods, electrical receptacles and outlets, air conditioning compressors and other air conditioning apparatus, including concrete slabs upon which such air conditioning equipment rests, fixtures, and the like, shall be considered part of the Unit as shall all interior surfaces of all interior structural walls, floors and ceilings consisting of, inter alia and as appropriate, wallpaper, paint, plaster, carpeting and tiles. All pipes, wires, conduits or other public utility lines or installations constituting a part of the overall system designed for the service of one or more than one particular Unit, and any structural members or portion of any Unit or building, and any other property of any other kind, including fixtures and appliances within any Unit,

which are not removable without jeopardizing the soundness, safety or usefulness of the remainder of the building, shall be deemed to be part of the General Common Elements as hereinafter described and shall not be a part of any Unit.

(b) General Common Elements. The General Common Elements shall consist of those areas and facilities which are not Units as hereinabove defined or Limited Common Elements as hereinbelow defined, including but not limited to: (i) the Property as hereinabove defined; (ii) the foundations, roofs, slabs, chimneys, perimeter walls, bearing walls, main walls, structural interior walls and partitions, exterior steps, beams, pipes, watermains, wires conduits, public utility lines and meters (now owned by the utility suppliers) and other service installations regardless of location, columns, girders, supports, service rooms; (iii) the central service systems for distribution of power, light, water, including but not limited to any compressors, water storage tanks, pipes, ducts, flues, chutes, gutters, exterior downspouts, exhaust shafts, interior downspouts, conduits, cable and wire outlets and other utility lines; (iv) the parking areas, streets, curbs, roads, walk-ways, paths, trees, shrubbery, gardens, lawn areas, exterior lighting and devices of common use or necessary to the existence, upkeep, use and safety of the buildings and other Condominium property.

The General Common Elements shall be owned in common by all of the Co-Owners. The General Common Elements shall remain undivided and no Co-Owner shall bring any action for partition or division of the whole or any part thereof except as otherwise provided by law.

(c) Limited Common Elements. The Limited Common Elements consist of those so designated on the floor plans and such others as

are agreed upon by a majority of the Co-Owners to be reserved for the exclusive use of a Certain Unit or certain number of Units to include owner storage, terraces, patios or decks. These Limited Common Elements are reserved for the use and benefit of the Co-Owners of the Units to which they are adjacent or to which they are declared to be appurtenant by appropriate designation in the floor plans or such other as shall be agreed upon by a majority of the Co-Owners to be reserved for the exclusive use of a certain Unit or number of Units. Each Limited Common Element is owned in common by all of the Co-Owners but restricted to the exclusive use and benefit of the Unit or Units to which it is declared to be appurtenant.

FOURTH: Each Co-Owner shall have an undivided ownership interest in the General and Limited Common Elements and shall share, as assessed in accordance with the provisions of the By-Laws and the Association, in the expenses of operating and maintaining the General and Limited Common Elements, as directed by Paragraph FIFTEENTH hereof; except insofar as the By-Laws require the Co-Owner of a Unit, to which the use and enjoyment of Limited Common Elements are reserved, to be responsible for the normal Maintenance of these particular Limited Common Elements, in accordance with the percentage attributable to such Co-Owner's Unit, as hereinafter described.

The use of the General and Limited Common Elements shall be limited to the Co-Owners in residence and to their tenants in residence and the Co-Owners residence and to their tenants in residence of all other Villages at Watterson Woods Condominium developments as provided

in Paragraph FIFTEENTH hereof. The use of the General and Limited Common Elements shall be governed by the By-Laws, the restrictions and the rules and regulations as adopted from time to time by the Village Community Corporation.

Tabulated below, according to Unit designations and their respective percentage of ownership, corresponding to and reflected in the floor plans, are all of the Units in The Village At Watterson Woods Village I:

Units A-1, A-4, A-5, A-6 and A-7 in Building A, Units B-1, B-4, B-5, B-6 and B-7 in Building B, Units C-1, C-4, C-5, C-6 and C-7 in Building C, and Units D-1, D-4, D-5, D-6 and D-7 in Building D each have .0287 per cent interest.

Units A-2 and A-3 in Building A, Units B-2 and B-3 in Building B, Units C-2 and C-3 in Building C, and Units D-2 and D-3 in Building D each have .0323 per cent interest.

Units A-8 in Building A, B-8 in Building B, C-8 in Building C, and D-8 in Building D each have .0419 per cent interest.

FIFTH: The administration of the Condominium shall be by the Association and the VCC in accordance with the provisions of this Master Deed and with the provisions of the By-Laws and restrictions. All of the Co-Owners shall together constitute the Association. Every Co-Owner or group of Co-Owners of a Unit shall automatically be a member of the Association and shall remain a member of the Association until such time as his or her ownership ceases for any reason, at which time his or her membership in the Association shall automatically cease. Other than as

an incident to a lawful transfer of title to a Unit membership in the Association shall be non-transferrable and any attempted transfer shall be null and void.

SIXTH: In the event that any building is partially or totally destroyed and is then rebuilt in substantially the same location, and as a result of such rebuilding any portion of the General and Limited Common Elements encroaches upon the Units, or any of them, or vice-versa, or any of the Units encroach upon another Unit, a valid easement for such encroachment and for the maintenance thereof, so long as it stands, shall and does exist. Easements are hereby reserved through each of the Units for the benefit of other Units as may be required for structural repairs, utility lines, plumbing, and for heating, air-conditioning and ventilating ducts in the locations as presently installed in the Unit with rights of ingress or egress or as subsequently approved in writing by the VCC in accordance with procedures set forth in the By-Laws, the Co-Owner of the burdened Unit and any mortgagee having a security interest therein.

SEVENTH: The undivided interest in the General and Limited Common Elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest may not be expressly mentioned or described in the conveyance or other instrument.

EIGHTH: Each Co-Owner shall comply with the provisions of this Master Deed, the By-Laws, restrictions, decisions and resolutions of the VCC or its representatives, as lawfully amended from time to time

and failure to comply with any such provision, decision, or resolution shall be grounds for an action to recover sums due, for damages or for injunctive relief or for any other legal or equitable relief maintainable by the council, or, in a proper case, by an aggrieved co-owner.

NINTH: All present or future owners, tenants, future tenants, or any other person who might use the facilities of the condominium in any manner are subject to the provisions of this Master Deed and that the mere acquisition or rental of any of the Units of the Condominium or the mere act of occupancy of any of said Units shall signify that the provisions of this Master Deed are accepted and ratified.

TENTH: A mortgagee or other purchaser of a Unit who obtains title by reason of foreclosure of a mortgage or other security interest covering a Unit, his successors or assigns, shall not be liable for assessments by the VCC which became due prior to his acquisition of title, it being understood, however, that the above shall not be construed to prevent the VCC from filing and claiming liens for such assessments and enforcing same as provided by law, but that such assessment liens shall be subordinate to such mortgage or security interest.

ELEVENTH: In a voluntary conveyance of a Unit, the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments by the VCC against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be

entitled to a statement from the managing agent or VCC as the case may be, setting forth the amount of the unpaid assessments, if any, against the grantor due the VCC and such grantee shall not be liable for, nor shall the Unit conveyed by subject to a lien for, any unpaid assessments made by the VCC against the Grantor in excess of the amount therein set forth.

TWELFTH: The dedication of the Condominium to the Plan of Ownership herein described shall not be revoked, nor shall the Condominium be removed from the Plan of Ownership, or any of the provisions herein amended (except as provided in paragraph SEVENTEENTH hereof) unless all of the Co-Owners and holders of all of the deeds of trust, mortgages, or other security interests covering the Units and all other parties having any security interest in any Unit unanimously agree to revocation, amendment or removal of the Condominium from the Plan by duly recorded instruments, except as provided in those portions of Article V of the By-Laws that deal with destruction of the Units, or by operation of law: it being provided, however, that no unilateral action may be taken under the provisions hereof which would operate as a detriment to any of the other Village at Watterson Woods Condominium.

THIRTEENTH: The submission of the property is subject to all covenants, conditions, easements, and restrictions, now recorded or hereafter placed on record.

FOURTEENTH: The agent for service of process shall be the President of the VCC.

FIFTEENTH: The Village Community Corporation, a not-for-profit corporation organized and existing under the laws of the Commonwealth of Kentucky (referred to in this Master Deed and elsewhere as "VCC") shall be the governing body of this Condominium and any other Villages at Watterson Woods Condominiums. (See Exhibit "C" attached hereto, being the Articles of Incorporation.) The organization of the VCC shall be that the Association of Co-Owners of each condominium shall elect one (1) representative for each 15 units (in the event of a fraction left over, one (1) additional representative if the fraction is 8/15ths or greater) to serve on the VCC as provided in Exhibit attached. The powers and authority of the VCC are more specifically described and set out elsewhere herein and in the By-Laws, the restrictions, and Articles of Incorporation. The Co-Owners, by virtue of this Master Deed are automatically members of the VCC and such membership cannot be cancelled or revoked without the consent of the entire VCC.

SIXTEENTH: Nothing contained herein shall be deemed or construed to dedicate to private or public use or to create a general scheme of development in or to vest rights and/or benefits with respect to any other property owned or hereafter acquired by the Grantor, their successors and assigns.

SEVENTEENTH: The Grantor does hereby reserve unto itself, its successors and assigns, the right to modify or amend this Master Deed as may be necessary for the completion of this Condominium project and to adjust for technical or mathematical errors, and by acceptance of a deed to a unit, the unit owner does thereby grant unto the developer a Power of Attorney for this purpose.

EIGHTEENTH: The Grantor does further reserve unto itself, its successors and assigns, the right to grant such easements as may be necessary or appropriate to fulfill the objectives of this Master Deed and to provide for adequate facilities, utilities and other services and to promote a harmonious relationship between this condominium and other Villages, and by acceptance of a deed to a unit, the unit owner does thereby grant unto the developer a Power of Attorney for this purpose.

NINETEENTH: It is intended that this Master Deed be in full compliance with the Act, and should any section, paragraph, sentence, phrase or word be construed by a court of competent jurisdiction determine the same to be in conflict therewith, then such conflicting portions shall be deemed void and severed from this instrument, and all remaining terms to be valid so as to give effect to the regime hereby created.

TWENTIETH: It is the intention of the Grantor that the provisions of this Master Deed are severable so that if any provision, condition, covenant, or restriction thereof shall be invalid or void under any applicable federal, state or local law or ordinance, the remainder shall be unaffected thereby. In the event that any provision, condition, covenant or restriction thereof is, at the time of recording this Master Deed, void, voidable or unenforceable as being contrary to any applicable federal, state or local law or ordinance, the Grantor, their successors and assigns and all persons claiming by, through or under this Master Deed covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability, or unenforceability, shall be deemed to apply retrospectively to this Master Deed thereby operating to validate the provisions of this instrument which otherwise might be invalid and it is covenanted

and agreed that any such amendements and supplements to the said laws shall have the effect herein declared as fully as if they had been in effect at the time of the execution of this instrument.

IN TESTIMONY WHEREOF, witness the signatures of the Grantor by its partners, pursuant to resolution of the Board of Directors of the respective corporations, by their duly authorized officers this ___ day of _____, 1978.

VILLAGE ASSOCIATES, A Partnership

By: CODMAN COMPANY OF KENTUCKY, INC.

By: _____

Partner

By: KPT DEVELOPMENT CO., INC.

By: _____

Partner

STATE OF KENTUCKY)

) SS COUNTY OF JEFFERSON)

The foregoing MASTER DEED was acknowledged before me by _____ as _____ of Codman Company of Kentucky, Inc., a corporation on behalf of the corporation as partner of Village Associates, a Kentucky General Partnership.

Notary Public, State at Large

My commission expires:

STATE OF KENTUCKY)

) SS

COUNTY OF JEFFERSON)

The foregoing MASTER DEED was acknowledged before me by
_____ as _____ of KPT
DEVELOPMENT CO., INC., a corporation on behalf of the corporation
as partner of Village Associates, a Kentucky General Partnership.

Notary Public, State at Large

My commission expires: