

BOOK 00519 0518
ARTICLES OF INCORPORATION
OF

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MONTICELLO FOREST CONDOMINIUMS COUNCIL OF CO-OWNERS, INC.

The undersigned, being a corporation duly organized and existing under the laws of the Commonwealth of Kentucky, does hereby voluntarily form, under the provisions of KRS 273.161 through KRS 273.390, a non-profit corporation having no capital stock for the purposes hereinafter set forth, from which no private pecuniary gain or profit is to be derived.

ARTICLE 1

The name of the corporation is Monticello Forest Condominiums Council of Co-Owners, Inc., hereinafter sometimes called the "Council".

ARTICLE 2

The duration of this corporation shall be perpetual unless otherwise dissolved or terminated in compliance with the law. Upon any dissolution of the corporation, its assets shall be devoted exclusively to the purposes heretofore set forth as may be determined by a majority of the Directors of the corporation at the time of such dissolution.

ARTICLE 3

"Developer" shall mean Monticello Forest Condominiums Developers, Inc., a Kentucky corporation, its successors and assigns. It is the original and initial developer, but it may designate, in writing, a successor developer.

ARTICLE 4

The corporation is formed for the purpose of being and functioning as a council of co-owners for the condominium project located in Jefferson County, Kentucky, known as Monticello Forest Condominiums (project). The condominium project was established pursuant to a Declaration of Master Deed, hereinafter sometimes called the "Declaration", dated December 4, 1997, made by Monticello Forest Condominiums Developers, Inc., a Kentucky Corporation, of record Deed Book 6971, Page 788 in the Jefferson County, Kentucky Clerk's office, including such amendments as may be made to the Declaration from time to time. The Council's sole purpose is to carry out the acquisition, construction, management, maintenance and care of the Monticello Forest Condominiums in accordance with the Declaration, these articles, by-laws and any amendments and supplements thereto, for the benefit of the condominium owners and no part of the net earnings or income, if any, of this corporation shall inure to the benefit of any private individual. To carry on its purpose, the corporation shall have full power:

(a) to exercise all of the powers and to perform all of the duties and obligations of the Council as set forth in the Declaration, as the same may be amended from time to time as therein provided, said Declaration being incorporated herein by reference, as if set forth herein;

(b) to fix, levy, collect and enforce payment, by any lawful means, of all charges, assessments and/or fines made pursuant to

the terms of the Declaration, and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Council; and

(c) to have and to exercise any and all powers, rights and privileges which a corporation organized under the corporation statutes of the Commonwealth of Kentucky by law may now or hereafter have or exercise.

ARTICLE 5

The corporation shall have authority to issue one, and only one, membership for each legally constituted and platted of record residential condominium unit in the project, up to a limit of eighty (80) members. Each unit in the condominium project shall have one, and only one, membership appurtenant to it. The title holder of record of the unit is the owner of record of the membership. No additional membership may be authorized or issued without the consent of the owners of all of the units in the condominium project. Membership may not be separated from ownership of a unit. Membership arises automatically in the buyer and terminate automatically in the seller, upon recording of a deed conveying title to the unit from the seller to the buyer. Persons or entities who hold an interest in a unit merely as security for the performance of an obligation are not shareholders and are therefore not members. Voting power is determined per Article 6.

ARTICLE 6

Each unit is entitled to one vote. The owner of record of the fee interest in the unit as of the date reasonably set by the

Board, shall exercise the vote for the unit. A person or entity who holds an interest in the unit merely as security for the performance of an obligation is not considered an owner and is not entitled to a vote. If more than one person or entity is the record owner of a fee interest in any unit, then the voting percentage for such unit shall be divided among the owners according to their percentage or ownership in the unit of record. Additional rules about voting shall be as contained in the Master Deed and in the By-Laws.

ARTICLE 7

The registered office of the corporation shall be at 4518 Portico Court, Louisville, Kentucky 40299, and the name of the corporation's initial registered agent at that address is Phillip Leigh. The address of the corporation's principal office is 4518 Portico Court, Louisville, Kentucky 40299.

ARTICLE 8

The affairs of the corporation shall be managed by a Board of Directors, the number of which shall be set by the By-Laws. During the Development Period, as defined below, a Director does not have to be a member of the corporation. During the Post Development Period, which shall mean that period after the Development Period, a Director must be a member of the corporation. The initial Board of Directors shall consist of three persons, who shall serve at the pleasure of the Developer. The names and addresses of some of the initial Board of Directors is as follows:

Phillip Leigh
4518 Portico Court

Louisville, Kentucky 40299

Martha Leigh
4518 Portico Court
Louisville, Kentucky 40299

Phillip Leigh, Jr.
4518 Portico Court
Louisville, Kentucky 40299

The Developer, its successors and assigns, shall have the sole right to appoint and elect Directors, and the irrevocable proxy to vote the vote of every member of the corporation. These rights shall expire upon the happening of the earliest of the following events:

- (a) The Developer no longer owns a unit in the project; or
- (b) The date that the Developer relinquishes in writing the Developer's right to appoint Directors; or
- (c) The occurrence of the date seven years after the date of the Declaration.

The period of time from the date of the Declaration, until the happening of the earlier of one of the aforementioned events shall be referred to as the "Development Period".

When the Developer's, including any successor, assign or designate's, right to appoint Directors has ended, the members of the corporation may promptly hold an election and choose another Director or Directors to run the corporation. The term of office of Directors shall be as stated in the By-Laws. If the By-Laws do not state a term, the term shall be one year.

No Director shall be liable to the Association for monetary damages for breach of his or her duties as a Director, except: (a)

for any transaction in which the Director's personal financial interest is in conflict with the financial interests of the Association; (b) for acts or omissions not in good faith or which involve intentional misconduct or are known to the Director to be a violation of law; or (c) for any transaction from which the Director derived an improper personal benefit.

ARTICLE 9

These Articles of Incorporation may be amended for the purposes stated in this Article 9 by the vote of two-thirds of the entire Board of Directors. The Board, as a group, is hereby given the irrevocable proxy, coupled with an interest in each unit necessary to support the proxy, to vote the vote of every member of the corporation and to amend, for the purposes stated in this Article 9, the Articles of Incorporation. The Board may amend the Articles to correct mistakes; to clarify ambiguities; or to qualify the project for favorable treatment under or to gain advantages under any laws, regulations and/or rulings, including, but not limited to, corporate laws, tax laws and the rules and regulations of regulatory agencies and agencies involved in buying or insuring mortgages. The rights of the Developer, however, can never be affected without the written consent of the Developer.

ARTICLE 11

As used in these Articles of Incorporation, the terms Common Areas, Developer and Unit shall have the same meaning as each is defined to have in the Declaration hereinabove referred to.

ARTICLE 12

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The name and address of each incorporator is as follows:

Monticello Forest Condominiums Developers, Inc.
4518 Portico Court
Louisville, Kentucky 40299

Signed this 15 day of January, 1998.

MONTICELLO FOREST CONDOMINIUMS
DEVELOPERS, INC.

BY: Phillip Leigh, President
Phillip Leigh, President

SUBSCRIBED AND SWORN to before me this 15 day of January, 1998, by PHILLIP LEIGH, President of Monticello Forest Condominiums Developers, Inc., a Kentucky Corporation, on behalf of said Corporation.

My Commission Expires: 10/9/00

Jessica R. Lee
Notary Public, State-at-Large, KY

THIS INSTRUMENT PREPARED BY:

William S. Bornstein
WILLIAM S. BORNSTEIN,
BORNSTEIN & OPPENHEIMER
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Document No: 1998011241
Lodged By: BORNSTEIN
Recorded On: Jan 28, 1998 08:12:19 A.M.
Total Fees: \$17.00
County Clerk: Rebecca Jackson
Deputy Clerk: DENKIN