

**MASTER DEED AND DECLARATION OF
CONDOMINIUM PROPERTY REGIME OF****CREEKWOOD**

C & L Builders, Inc., a Kentucky Corporation (hereinafter referred to as the "Developer"), declares this as its plan for ownership in condominium of certain property on Fairground Road, in Jefferson County, Kentucky, more particularly described as follows:

BEING TRACT TWO AND TRACT THREE(2 & 3) as shown on minor subdivision plat attached to and recorded with Deed of record 1 Deed Book 7520 Page 446 and rerecorded in Deed Book 7850 Page 806, in the Jefferson County Kentucky Clerk's Office.

BEING a part of the same property conveyed to the Developer by deed dated September 26, 2000, of record in Deed Book 7520, Page 446, in the Jefferson County, Kentucky Clerk's Office.

WITNESSETH:

In order to create a Condominium Project consisting of the property described above and improvements thereon (the "Regime"), to be known as CREEKWOOD, the Developer hereby submits this property and all of the Developer's interest therein to a condominium property regime established under the Condominium Property Law, Sections 381.805 through 381.910 of the Kentucky Revised Statutes ("KRS"). In furtherance thereof, the Developer makes the following declarations regarding divisions, limitations restrictions, covenants, and conditions, hereby declaring that this property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, and improved subject to this Declaration. The provisions of this Declaration constitute covenants running with the land and are binding on and for the benefit of present and future owners, lessees, and mortgagees of any part of the Regime.

A. Definitions. Certain terms as used in this Declaration shall be defined as follows:

1. "Developer" shall mean and include C & L Builders, Inc., and the institutional holder of the Developer's first mortgage which, by exercising its rights under such first mortgage and if it so elects, shall be deemed to have been assigned the Developer's rights hereunder for the purposes of this Declaration, any amendments thereto, the By-Laws, and any other governing documents.

2. "Counsel of Co-Owners" or "Council" means all of the Unit owners acting as a group in accordance with this Declaration, any amendments thereto, the by-laws, and any other

governing documents.

3. "Common" Elements" means and includes, as provided in KRS 381.810(7):

- (a) The land in fee simple described herein;
- (b) The foundations, main wall, roofs, and entrances and exits or communication ways;
- (c) The grounds, landscaping, roadways, parking areas (other than parking spaces specifically assigned to each unit owner), and walkways;
- (d) The compartments and installations for central services;
- (e) 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.

4. "Limited Common Elements" means and includes pursuant to KRS 381.810(8), those Common Elements which are reserved by this Declaration, by the floor plans, by the Developer, or by agreement of all of the Owners, for the exclusive use of a particular Unit or Units, to the exclusion of the other Units. Limited Common Elements may include, if any, designated parking spaces which have been assigned to a particular Unit, driveways located in front of designated parking spaces which have been assigned to a particular Unit, walkways, storage spaces located outside Units, balconies, patios, patio area wells, porches, screened-in and/or enclosed porches, decks, front stoops, any heat pumps, air conditioning pads and all other apparatus and installations built or set up to serve only a certain Unit or a certain group of Units. All electrical fixtures (other than light poles), utility pipes and lines, wires, conduits, ducts, faucets, shower heads, plugs, connections or fixtures, as defined by the laws of the Commonwealth of Kentucky, and all replacements thereof which are a part of or are located in the Common Areas, but which are entirely for the benefit of or to serve one Unit, shall also be limited.

5. "Unit" or "Condominium Unit" means the enclosed space as measured from interior unfinished perimeter surfaces consisting of one or more rooms occupying all or part of a floor or floors in a building of one or more floors or stories, provided the Unit has a direct exit to a thoroughfare or to a Common Area or space leading to a thoroughfare. Unit includes any hall, stairs stairways or basements located within the perimeter boundaries of a unit and serving only that unit. The location and extent of each Unit are as shown on the plans of the Regime recorded herewith or to be recorded under Section B of this Declaration. 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, window panes, garbage disposal, storm and screen doors and windows, if any, and other equipment located within or connected to said Unit; the maintenance, repair, and replacement of same being the responsibility of the Unit owner. The

Owner of each Unit shall have the right to unrestricted ingress and egress to their unit.

6. "Common Expenses" means and includes all charges, costs, and expenses incurred by the Council for and in connection with the administration of the Regime including, without limitation thereof, operation of the Regime; maintenance repair, replacement and restoration (to the extent not covered by insurance) of the Common Elements; any additions and alterations thereto; all labor, services, common utilities, materials, supplies and equipment therefore; 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; and all administrative, accounting, legal, and managerial expenses. Also, "Common Expenses" shall include the cost of operation, maintenance, improvement, and replacement of any recreational facilities and equipment, and shall include amounts incurred in replacing or substantially repairing major capital improvements of the Regime including, but not limited to, roof replacement and road, driveway and parking resurfacing. All of the above shall constitute Common Expenses of the Regime for which the Unit owners shall be severally liable for their respective proportionate shares in accordance with their percentage of common interest. A reserve shall be included in the Regime's Common Expense budget for such capital expenditures.

B. Description of Units. The Regime shall consist of no more than One Hundred twelve (112) separate Condominium Units each consisting of a separate fee simple estate in said unit to be shown in phases for each building with the owners of each Unit having a common right to share with the other co-owners in the Common Elements of the Regime in accordance with each Unit's percentage of common interest, representing the total square footage of each Unit of the Regime. Phase I of the regime shall consist of Building Numbers 43, Units Number 1,2,3 and 4, Building 26, Units Number 1,2,3 and 4, Building 27, Units Number 1,2,3 and 4, and Building 28, Units Number 1,2,3 and 4 and the Common Area, both as more particularly described in Exhibits attached hereto and incorporated herein. Additional Property may be brought into the Project/Regime for purposes of the intended total of 112 units.

The completed Units and Common Elements are shown or designated in plans in the office of the County Court Clerk of Jefferson County, Kentucky, recorded herewith, to be amended from time to time as construction of additional Units in the Regime are completed, which plans and amended plans are incorporated in this Declaration by reference. The Developer reserves the exclusive right to amend this instrument and said plans for the purpose of showing completed Units "as built," without necessity of any Unit owner or other interest holder joining in the amendments; and further reserves the exclusive right to slightly alter the contemplated square footage of Units in order to comply with Kentucky Condominium Statutes relating to percentage ownership based on square footage of a Unit. The floor plans shall bear the verified statement of a registered architect or professional engineer certifying that the plans fully and accurately depict the layout, location, unit numbers, and dimensions of the units as built.

There are four(4) units in each building. Each building will have its own identifying building number. The units in each building will be numbered from left to right of a person viewing the front of the building from the bottom left unit as 1, bottom right unit 2, top left unit 3 and the top right unit as 4.

C. Common Interest. Each Unit shall have appurtenant thereto an undivided percentage of

common interest in the Common Elements; shall have the same percentage share in all common profits and Common expenses of the Regime, and shall have this percentage interest for all purposes except voting. The undivided percentage of common interest for each Unit is shown in EXHIBIT "A" attached hereto and made a part hereof by reference.

Recognizing that the square footage of unbuilt Units may be altered as completion of Units progresses (as authorized in Section B above), Developer hereby reserves the right to amend EXHIBIT A to show any alteration in square footage of a particular Unit; and as a result thereof and in compliance with Kentucky Condominium Statutes, adjust the percentage of common interest of all Units so that each Unit's percentage is based on its actual square footage as related to the total square footage of all Units of the Regime as built.

Upon the Developer's completion of addition units or phases the developer shall amend the condominium regime to add said units or phases. Upon expansion of the regime each Unit Owners proportionate share in all common elements shall be automatically adjusted for all Units, including those in the regime before and after the expansion. Developer reserves the right to amend Exhibit C to show any alteration or addition of units to the regime. The Developer reserves the right to round up or round down the percentages of ownership in the Common Areas for any one or more units in order that the total %percentage of ownership equals one hundred percent (100%)

D. Easements (including Parking Spaces) The Units and Common Elements shall have and be subject to the following easements:

1. An easement for any maintenance, repair or replacement of any and all pipes, wires, conduits, or other utility lines running through or around any Unit which facilities are utilized for or serve more than that Unit, said facilities being a part of the Common Elements.

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

3. If any part of the Common Elements encroaches upon any Unit or Limited Common Element, a valid easement for such encroachment, the maintenance, repair or replacement thereof, so long as it continues, shall and does exist. If in the event any building of this Regime shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the Common Elements due to reconstruction shall be permitted, and valid easement for such encroachments and of maintenance, repair, and replacement thereof shall exist.

4. An easement for ingress and egress and maintenance in favor of any public utility providing utility service to the Regime and the Units therein for the purpose of maintenance, repair or replacement of the facilities and equipment necessary to provide said service. The utility shall exercise this right in a reasonable manner.

5. An easement in favor of the Council of Co-Owner's exercisable by the Board of Administration and its agents, to enter any Unit and 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), or in the event of emergency for necessary action to prevent damage to any part of the Regime.

6. Existing easements of record affecting the Regime property.

7. In addition, Developer reserves the right during development to grant, transfers cancel, relocate, and otherwise deal with all utility and other easements now or hereafter located on the Regime without necessity of authority from any Unit owner, except where such Unit is directly affected.

8. Any parking area or other paved portion of the Regime allocated to parking purposes shall be part of the Common Elements and not part of any individual Unit, except for parking spaces specifically assigned to each Unit owner. Each Unit will be assigned two(2) specific parking spaces which shall be considered limited common elements pertaining to that particular unit.

E. Alteration and Transfer of Interests. The Common Elements (Limited and General) and easements appurtenant to each Unit shall have a permanent character and shall not be altered without the consent of the Unit owner affected (except where such authority is retained by the Developer), expressed in a recorded amendment to this Declaration. 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 such Unit even though such elements or easement are not expressly mentioned or described in the conveyance or other instrument.

F. Partition. The Common Elements, including Limited 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 Condominium Property Law of Kentucky.

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

1. The Unit shall be used only for residential purposes, shall not be subdivided, and shall be subject to such limitations and conditions as may be contained herein, or in the By-Laws of the Council of Co-owners, or any Regime rules which may be adopted from time to time by the Board of Administration of the Council as to the use and appearance of the Units and the Limited and General Common Elements. Notwithstanding this residential restriction, the Developer shall be permitted to use unsold Units as models or sales offices.

2. The number of Units owned by one person or organization, for the purpose of rental, may be limited by the Board of Administration.

3. Violation of this Declaration, the By-Laws or any rules of the Regime adopted by the Board of Administration, may be remedied by the Board, or its agents, by the imposition of reasonable fines or by legal action for damages, injunctive relief, restraining order or specific performance. In addition, an aggrieved Unit owner may maintain a legal action for similar relief.

H. Council of Co-Owners. The administration of the Regime shall be vested in its Council of Co-owners, consisting of all the Unit owners of the Regime in accordance with the By-Laws of the Council. 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.

The above paragraph notwithstanding, the administration of the Regime, including the adoption and amendment of By-Laws, adoption of Regime rules, assessment of Common Expenses, and all other matters relating to the governing of the Units of the Regime shall be vested in the Developer until 120 days after the date by which 75% percent of the units have been conveyed to unit owner, or until October 31, 2007, whichever first occurs; provided, however, except with the written consent of Developer's institutional holder of the first mortgage loan, the deadline date of October 31, 2007 will automatically be extended beyond that date until such time as the first mortgage loan is satisfied and the first mortgage lien released in its entirety. Until that time, the Developer shall constitute the Council of Co-owners and the Board of Administration, and shall possess the irrevocable proxy of all Unit owners agreeing to such administration by the Developer.

L. 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 Kentucky Condominium Property Law, this Declaration, the By-Laws of the Council, and all Regime rules adopted by the Board of Administration. Specifically, but without limitation, the Council shall:

1. Make, build, maintain, and repair all improvements in the Common Elements which may be required by law to be made, for the use of any part of the Regime.

2. 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.

3. Substantially repair, maintain, and keep all 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.

4. Except as may be provided herein, in the By-Laws and Regime rules, keep all Limited Common Elements in a clean and sanitary condition and substantially repair, maintain, and keep them in good order and condition.

5. Observe any setback lines affecting the Regime as shown on the plans herein mentioned.

J. 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 H) who shall be chosen by the Council in accordance with the By-Laws. Said 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 the purpose by the Board so long as such contract does not exceed three years in duration and may be canceled by the Board upon thirty days prior written notice. 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 or quarterly from each Unit owner. Each Unit owner shall contribute an equal amount. Where no such determination is formally made for any year, the calculations utilized for the previous twelve months shall remain in effect.

K. Waiver of Use of Common Elements. No Unit owner may except himself from liability for his contribution towards the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit.

L. Unpaid Common Expenses Constitutes Lien. Unpaid Common Expenses shall constitute a lien on the Unit of the delinquent Unit owner, prior to all other liens except:

(i) liens for taxes and assessments lawfully imposed by governmental authorities against such Units and (ii) the lien of a first mortgage. Such lien may be enforced by suit by the Council or the Board of Administration, its Administrator or agent, acting on behalf of the Council, in like manner as a mortgage of real property, provided that thirty days prior written notice of intention to sue to enforce the lien shall be mailed, postage prepaid, to all persons having an interest in such Unit (including any mortgagees) as shown on the Council's records of ownership. The Council shall have the power to bid on such Unit at judicial sale or pay for and accept a deed in lieu of foreclosure; and to acquire, hold, lease, mortgage, and convey such Unit. The Council shall also have the power to file suit to recover a money judicial lien enforcement, without waiving the lien securing same.

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

N. Insurance. The Board of Administration shall carry a master policy of fire and extended coverage, vandalism, malicious mischief and liability insurance, in a minimum amount of \$1,000,000 for each occurrence, and if required by law, Workers' Compensation insurance (hereinafter referred to as "Master Policy"), with respect to the Regime and the Council's administration thereof in accordance with the following provisions.

1. The Master Policy shall be purchased by the Board 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 By-Laws (and provisions shall be made for the issuance of appropriate mortgage endorsements to the mortgagees of the Unit owners). The Unit owners shall obtain insurance coverage at their own expense upon their Unit interiors and equipment and personal property including, but not limited to, floor coverings, cabinets, appliances, wall treatments, etc; and, in addition, shall obtain comprehensive personal liability insurance covering liability for damage to person or property of others located within such Unit owner's Unit, or in another Unit in the Regime or upon the Common Elements resulting from the negligence of the insured Unit owner, in such amounts as shall from time to time be determined by the Board of Administration, but in no case less than One Hundred Thousand Dollars (\$100,000.00) for each occurrence. The Board and the Unit owners shall use their best efforts to see that all property and liability insurance carried by a Unit owner or by the Council shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against the Unit owners or the Council and the respective employees, agents, and guests of the Unit owners or the Council as the case may be.

2. All buildings, improvements, personal property, and other Common Elements of the Regime shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the maximum insurable replacement value thereof, as determined from time to time by the Board. The Council, acting through the Board, may elect to carry insurance to cover such other perils and from time to time shall be similar in construction, location, and use.

3. The Board shall use its best efforts to see that the liability insurance carried by the Council shall contain cross-liability endorsements or appropriate provisions to cover liability of the Units' owners, individually and as a group (arising out of their ownership interests in the Common Elements), to another Unit owner.

4. All premiums upon insurance purchased by the Council shall be Common Expenses.

5. Proceeds of all insurance policies owned by the Council shall be received by the Board for the use of the Unit owners and their mortgagees as their interests may appear, provided, however, the proceeds of any insurance received by the Board because of property damage shall be applied to repair and reconstruction of the damaged property except as may otherwise be permitted by Section 0 of this Declaration.

6. Each Unit owner shall be deemed to appoint the Board as his true and lawful attorney in fact to act in connection with all matters concerning the maintenance of the Master Policy. Without limitation on the generality of the foregoing, the Board, as said attorney, shall have full power and authority to purchase and maintain such insurance, to collect and remit the premiums therefore, to collect proceeds and to distribute the same to the Council, the Unit owners and their respective mortgagees, as their interests 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 Board in regard to such matters. The Board shall not be responsible for procurement or maintenance of any insurance covering the contents or the interior of any Unit 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.

O. Reconstruction. Where casualty destruction, partial or total, of one or more buildings occurs, arising from events covered by insurance or not, the determination as to reconstruction shall be governed by the Kentucky Condominium Property Law, more particularly Section 381.890 of the Kentucky Revised Statutes, as may be amended or supplemented from time to time. Provided, however, reconstruction shall not be compulsory where two-thirds (2/3) or more of a building is destroyed as determined by the Council of Co-Owners. In the event of such destruction, the Council of Co-Owners shall make adequate provision for reasonable compensation to the Unit Owners who are deprived of their interest as the result of the failure to reconstruct the destroyed building. Upon the happening of such event, the Council of Co-Owners shall immediately cause the Master Deed to be amended to reflect the recalculation and redistribution of common interests among the remaining Unit Owners.

Each Unit Owner shall be deemed to appoint the Board of Administration as his true and lawful attorney-in-fact in connection with all matters pertaining to destruction or liquidation of the

project. The Board shall have the authority to represent the Unit Owners in any proceeding, negotiation, settlement or agreement. Any proceeds from the settlement shall be payable to the Council of Co-Owners for the benefit of the Unit Owners and their mortgage holders, if any, as their interests shall appear.

P. Alteration of Project. 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), or substantial structural alteration or addition to any building, different in any material respect on the condominium plans of the Regime, shall be undertaken by the Council or any Co-owners only after unanimous approval by the Board of Administration, who shall have the authority to amend this Declaration, with written consent of holders of all liens affecting any of the Units, 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 Regime as so altered, certified as built by a registered architect or engineer. Notwithstanding the following, the Developer reserves the right as phases are complete to add additional units and property and to submit said additional units and property to the terms of this declaration.

Q. Maintenance Fund. The Board of Administration shall establish and pay into a Maintenance Fund all Common Expense collections from the Unit owners, assessed for and attributable to current expenses and shall pay from such Fund all current Common Expenses of the Regime.

R. Capital Replacement Fund. The Board of Administration shall establish a Capital Replacement Fund and pay into same from month to month that portion of Common Expense collections from the Unit owners, attributable to the Common Expense budget item for capital replacement reserves. For example, if ten percent (10%) of the Common Expense budget for that particular year is assigned to capital replacement reserves, ten percent (10%) of Common Expense collections shall be paid over to the Capital Replacement Fund. Disbursements from this Fund, other than for investment as hereinafter authorized, shall be made only for replacing, or substantially repairing, major capital improvements of the Regime, or for the repayment of indebtedness incurred under Section T, paragraph 2, of this Declaration, approved by the Board of Administration. Fund balances available for investment may be invested by the Board of Administration in interest-bearing securities, mutual funds, and/or saving accounts, so long as such investment is insured by the United States or insured under a program secured by the full faith and credit of the United States.

S. Additional Common Expense Provisions. In addition to the other provisions of this instrument relating to the Regime's Common Expenses, the following requirements and limitations are applicable:

1. The proportionate interest of each Unit owner in the Maintenance Fund and Capital Replacement Fund cannot be withdrawn or separately assigned, but is deemed to be transferred with such Unit even though not mentioned or described in the conveyance thereof.

2. In the event the Condominium Property Regime herein created shall be terminated or waived, any part of said Funds remaining after full payment of Common Expenses and costs of termination shall be distributed to the then existing Unit owners in their respective

proportionate shares.

3. The Developer shall be responsible for the maintenance cost of the Regime, incurred over and above amounts payable to the Maintenance Fund by the Unit Owners, until it transfers control of the Regime as above provided. Thereafter, the Developer shall be liable for assessment for Common Expenses on Units owned by it, of and when occupied.

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

1. 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.

2. To pay cost of reconstruction, major repair, replacement or alteration of the Common Elements incurred under Section O (to the extent not covered by insurance proceeds) and Section P of this Declaration, provided that the repayment of such loan can be amortized over a period of not more than fifteen (15) years and will not require a monthly payment in excess of one/one-hundredth of one percent (01 %) of the total fair market value of all the Units, said fair market value to be determined by use of the values (based upon 100% assessment value) placed on the Units by the Jefferson County Property Valuation Administrator or such other governmental officer as may succeed to his duties as they exist on January 1st of the initial loan year and shall not take into consideration any loss of value arising out of destruction to property being restored from the proceeds of the loan. 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 its Board of Administration, may pledge, as security thereon, its rights to receive that part of the monthly Common Expenses Income that is necessary to amortize the pay-off of the loan.

U. Voting and Voting Percentages. The term "majority" or "majority of Unit Owners" used herein or in the By-Laws shall mean more than fifty percent (50%) of the owners of the Units. Where a Unit is jointly owned by one or more persons, the vote for the Unit may be cast by one of the joint owners. Where the joint owners of one Unit cannot agree on a vote, the vote applicable to that Unit shall be divided pursuant to ownership interest. Owners shall be entitled to vote at Council meetings in person or by written proxy.

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

1. In the event of any taking of an entire Unit by eminent domain, the owner of such Unit and his mortgagee(s) and other interest holder shall be divested of all interest in the condominium project. In the event that any condemnation award shall become payable to any owner whose Unit is taken by eminent domain, then such award shall be paid by the condemning authority to the owner thereof and his mortgagee(s) as their interests may appear.

2. 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 more than 75% of the Co-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 Co-owners in accordance with their respective percentages of common interest.

3. Each unit shall be deemed to appoint the Board of Administration as his true and lawful attorney-in-fact in connection with all matters pertaining to a taking by eminent domain. The Board shall have the authority to represent the Unit Owners in any proceeding, negotiation, settlement or agreement. Any proceeds from the settlement shall be payable to the Council of Co-Owners for the benefit of the Unit Owners and their mortgage holders, if any, as their interests shall appear.

4. In the event the Regime continues after taking by eminent domain, then the remaining portion of the Regime shall be re-surveyed and the Master Deed amended accordingly by the Board of Administration, 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 Co-owners based upon a total percentage of common interest of 100%.

W. Amendment of Declaration. Except as otherwise provided in this instrument, or in said Condominium Property Law, the Declaration may be amended by signatures of a majority of the Unit owners, effective only upon recording of the signed instrument setting forth the amendment. Provided, however, the Developer may amend this instrument from time to time, recording amended floor plans of Units, when completed, in accordance with KRS 381.830(1)(b), KRS 381.835 (5), and Section B and C of this Master Deed, without necessity for any Unit owners or other interest holders joining in, said persons agreeing and consenting to such amendments in accepting conveyance of a Unit.

X. Incorporation of Council of Co-owners. The Council of Co-owners may (but is not so required) incorporate itself as a non-stock, non-profit corporation for the administration of the Regime with the membership and voting rights hereinabove established for the Council.

Y. Consent of Mortgage Holder. Joining in this instrument is the holder of a mortgage and assignment of rents (Mortgage Book 5751, Page 127 and Mortgage Book 6306 Page 980 and Deed Book 7576 Page 535 and Deed Book 7757 Page 827; recorded in the Jefferson County Clerk's Office, on the property being submitted herein for a Condominium Property Regime, to indicate its consent thereto, the Developer agreeing the lien rights are hereby transferred to the individual Units of the Condominium Project hereby established.

Z. Compliance with HUD Regulations. Notwithstanding anything to the contrary this Master Deed and Declaration of Condominium Units intends to be in compliance with HUD Regulations regarding Home Mortgage Insurance for Condominium Units including Appendix 24 of Handbook 4265.1.

AA. Mortgage/Lien Holder Rights. If requested in writing a holder, insurer or guarantor of a first mortgage shall be entitled to timely written notice of any proposed amendment of the condominium documents of a material nature. A change to any of the following would be considered as material: (i) boundaries of a unit or the exclusive easement rights pertaining thereto, (ii) the interests in the general or limited common elements, (iii) voting rights, (iv) the purpose to which any unit or common element is restricted, (v) any proposed termination of the regime, (vi) any condemnation loss or any casualty loss which affects a material portion of the project, (vii) any

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delinquency in the payment of assessments which have continued for at least 60 days, (viii) any lapse, cancellation or material modification of any insurance policy maintained by the owners association.

BB. EXHIBITS INCORPORATED. The Developer has attached to this declaration several exhibits which are incorporated herein by reference.

WITNESS the signature of the Developer by its duly authorized officer on the 24 day of May, and the signature of BANK OF LOUISVILLE Bank, Inc. by its duly authorized officer on the date indicated above.

DEVELOPER:

C & L BUILDERS, INC., a Kentucky corporation

BY: [Signature]

MORTGAGEE:

BANK OF LOUISVILLE Bank, Inc.

BY: [Signature]
S. V. P.

STATE OF KENTUCKY
COUNTY OF JEFFERSON

I, a Notary Public, within and for the State and County aforesaid, do hereby certify that the foregoing instrument of writing was this day produced to me in said State and County and was executed and acknowledged by Carl Cox as President of C&L Builders Inc., to be the free and voluntary act and deed of party thereto.

WITNESS my signature this 9th day of May, 2002. My

commission expires:

E. J. J. J.

[Signature]

NOTARY PUBLIC

STATE OF KENTUCKY
COUNTY OF JEFFERSON

I, a Notary Public, within and for the State and County aforesaid, do hereby certify that the foregoing instrument of writing was this day produced to me in said State and County and was executed and acknowledged by RICHARD A BEAN as SR V.P. of BANK OF LOUISVILLE Bank, Inc. to be the free and voluntary act and deed of BANK OF LOUISVILLE Bank, party thereto.

WITNESS my signature this 14th day of May, 2002.

My commission expires: August 30, 2005

[Signature]

This Instrument was prepared by:

[Signature]

Richard T. Frank
Goldberg & Simpson, PSC
10600 Timberwood Circle, Suite 1
Louisville, KY 40223

EXHIBIT "A"

PROJECT: CREEKWOOD CONDOMINIUMS

UNIT#	LIVING AREA(SQ. FEET)	NET % OF PROJECT
BUILDING #43		
UNITS		
#1	1128	6.18%
#2	1129	6.18%
#3	1136	6.22%
#4	1159	6.35%
BUILDING #26		
UNITS		
#1	1128	6.18%
#2	1128	6.18%
#3	1136	6.22%
#4	1159	6.35%
BUILDING #27		
UNITS		
#1	1139	6.24%
#2	1135	6.20%
#3	1146	6.28%
#4	1146	6.28%
BUILDING #28		
UNITS		
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#3	1160	6.35%
#4	1160	6.35%
TOTALS 18260		100.00%

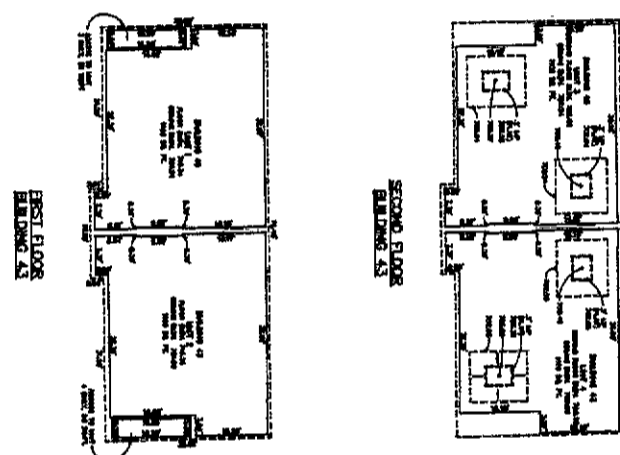
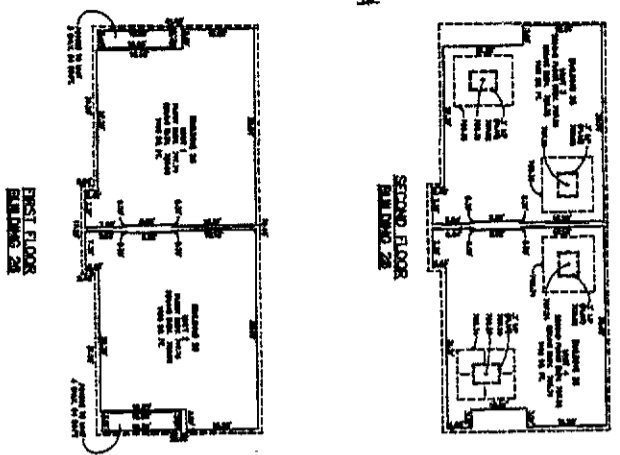
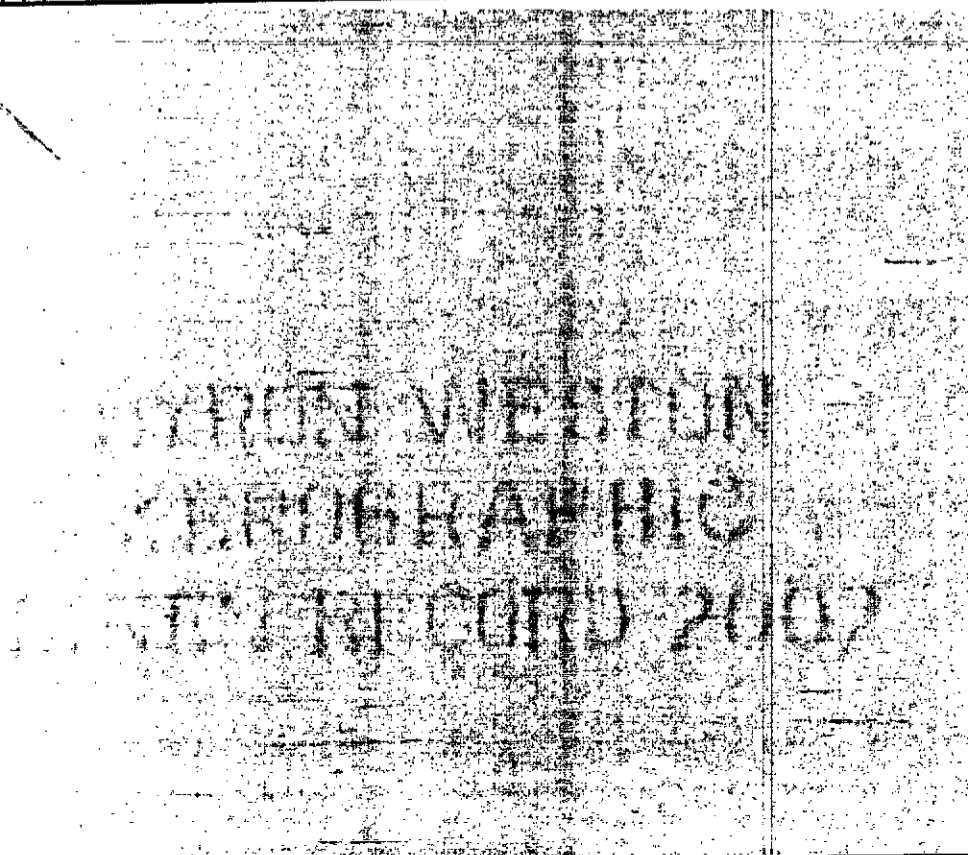
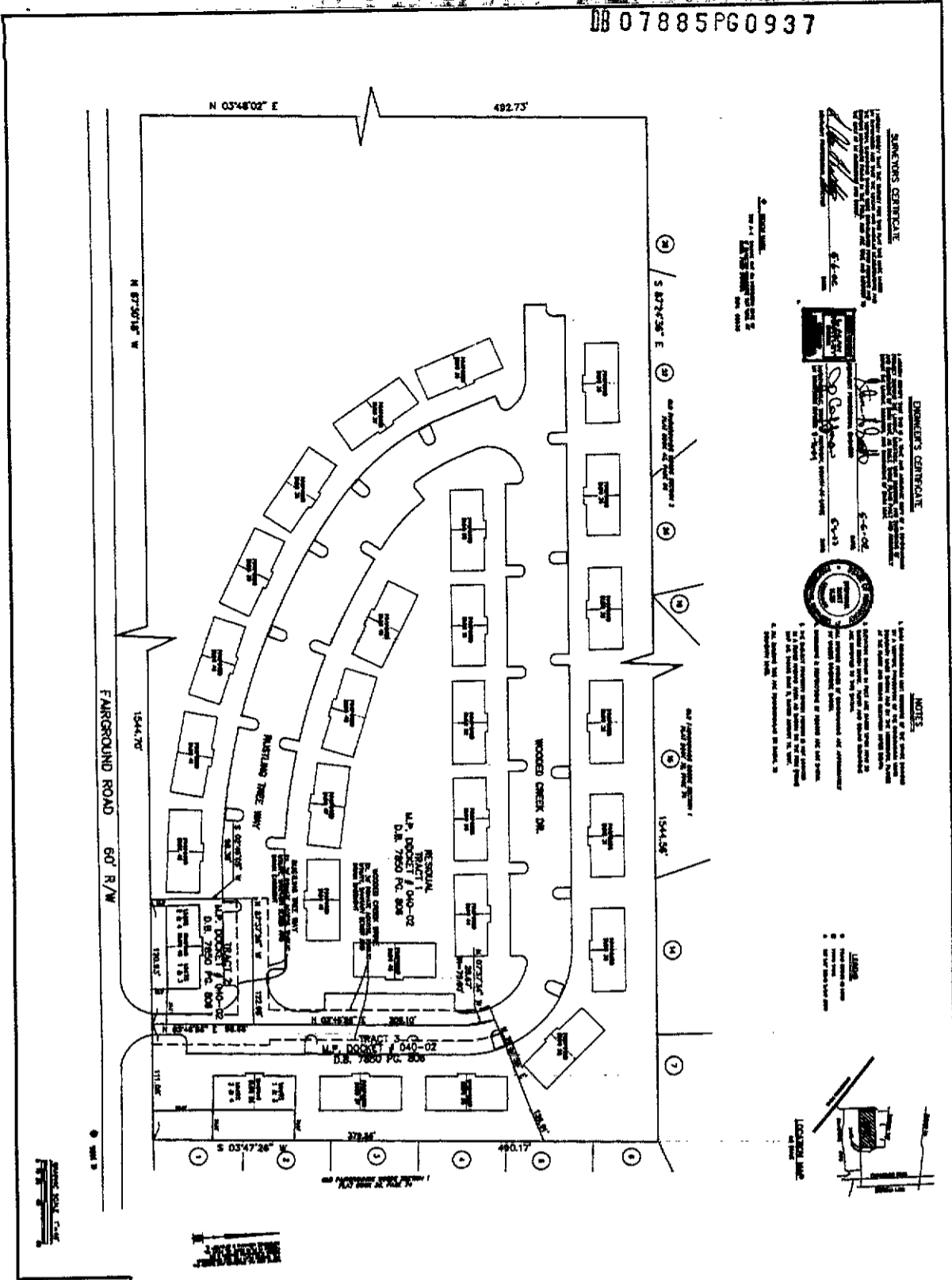


TABLE OF LINES

2	CREEKWOOD CONDOMINIUMS D.B. 7240 PG. 445 BUILDINGS 26 & 43 COUNTY, KENTUCKY	OWNER/DEVELOPER C & L BUILDERS, INC. P.O. BOX 277 PROSPECT, KY. 40059	MSA MODEL - 8001 & 8002, INC. P.O. BOX 100 MAYFIELD, KY. 40048
	<p style="text-align: center;">CREEKWOOD CONDOMINIUMS C & L BUILDERS, INC. P.O. BOX 277 PROSPECT, KY. 40059</p>		





SWANSON'S CERTIFICATE
 I, SWANSON'S CERTIFICATE, have examined the above described plan and find that it conforms to the requirements of the laws of the State of Kentucky and the rules and regulations of the Board of Building and Construction Officials of the State of Kentucky, and I hereby certify that the same are correct and true to the original as shown to me.

SWANSON'S CERTIFICATE
 I, SWANSON'S CERTIFICATE, have examined the above described plan and find that it conforms to the requirements of the laws of the State of Kentucky and the rules and regulations of the Board of Building and Construction Officials of the State of Kentucky, and I hereby certify that the same are correct and true to the original as shown to me.

NOTES
 1. THE DEVELOPER SHALL BE RESPONSIBLE FOR THE PROVISION OF ALL UTILITIES AND SERVICES TO THE CONDOMINIUMS.
 2. THE DEVELOPER SHALL BE RESPONSIBLE FOR THE PROVISION OF ALL MAINTENANCE AND REPAIRS TO THE CONDOMINIUMS.
 3. THE DEVELOPER SHALL BE RESPONSIBLE FOR THE PROVISION OF ALL SECURITY SERVICES TO THE CONDOMINIUMS.
 4. THE DEVELOPER SHALL BE RESPONSIBLE FOR THE PROVISION OF ALL INSURANCE SERVICES TO THE CONDOMINIUMS.
 5. THE DEVELOPER SHALL BE RESPONSIBLE FOR THE PROVISION OF ALL LEGAL SERVICES TO THE CONDOMINIUMS.

<p>1</p>	<p>CREEKWOOD CONDOMINIUMS D.B. 7240 PG. 446 BUILDINGS 26 & 43 COUNTY, KENTUCKY</p>	<p>OWNER/DEVELOPER C & L BUILDERS, INC. P.O. BOX 277 PROSPECT, KY. 40059</p>	<p>MSA MODEL - SEPT & APPROVED, INC. 200 N. 10TH ST. SUITE 100 PROSPECT, KY. 40059</p>
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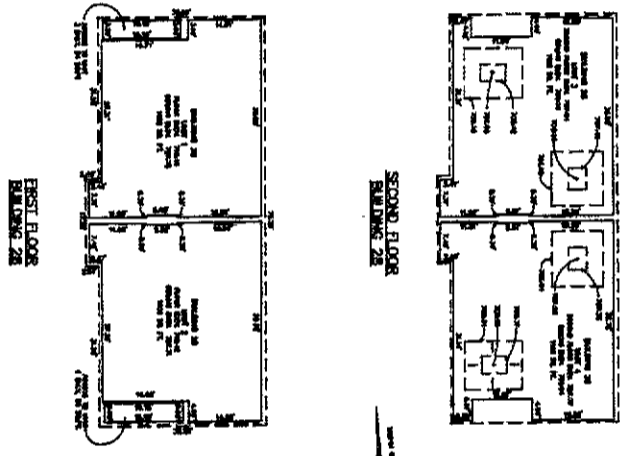
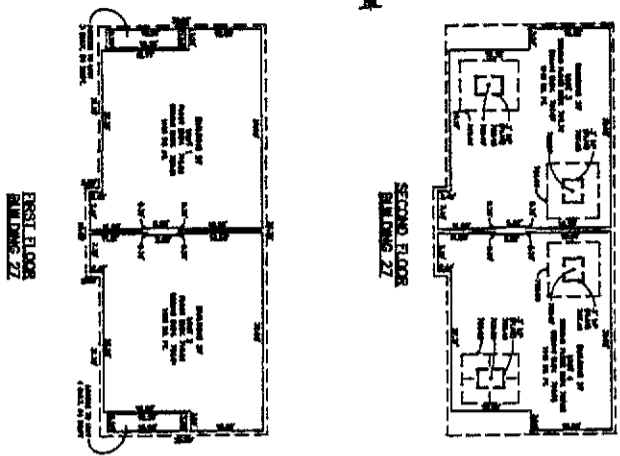



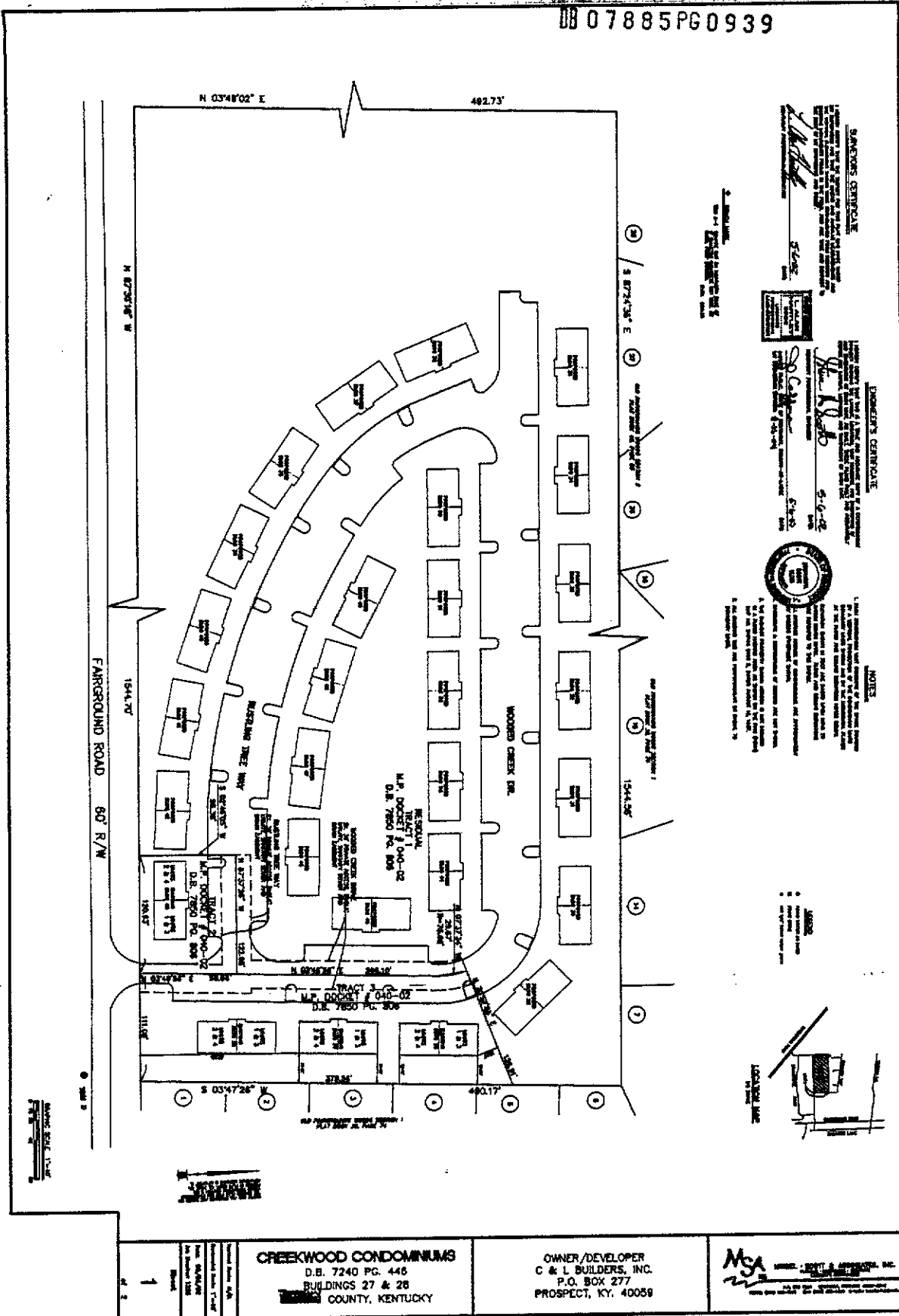
TABLE OF LINES

1	Common Area
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93	Common Area
94	Unit
95	Common Area
96	Unit
97	Common Area
98	Unit
99	Common Area
100	Unit



2	CREEKWOOD CONDOMINIUMS D.B. 7240 PG. 446 BUILDINGS 27 & 28 BROWN COUNTY, KENTUCKY	OWNER/DEVELOPER C & L BUILDERS, INC. P.O. BOX 277 PROSPECT, KY. 40059	 MODEL - BENT & BROTHERS, INC. 1000 W. STATE ST. CINCINNATI, OH. 45202
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RECORDING
 RECORD-2002

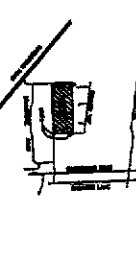


STATEMENTS OF WORK
 I, the undersigned, have prepared the above described plan and specifications for the project described herein, and I am a duly licensed Professional Engineer in the State of Kentucky.

ENGINEER'S CERTIFICATE
 I, the undersigned, have prepared the above described plan and specifications for the project described herein, and I am a duly licensed Professional Engineer in the State of Kentucky.

NOTES
 1. The owner is responsible for the accuracy of the information furnished to the engineer.
 2. The engineer is not responsible for the accuracy of the information furnished to the owner.
 3. The engineer is not responsible for the accuracy of the information furnished to the contractor.

LEGEND
 1. Building
 2. Parking
 3. Road



<p>CREEKWOOD CONDOMINIUMS D.B. 7240 PG. 446 BUILDINGS 27 & 28 COUNTY, KENTUCKY</p>	<p>OWNER/DEVELOPER C & L BUILDERS, INC. P.O. BOX 277 PROSPECT, KY. 40059</p>	<p>MSA MSA ENGINEERING, INC. 1000 S. MAIN ST., SUITE 100 PROSPECT, KY. 40059</p>
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ARTICLES OF INCORPORATION
OF
COUNCIL OF CO-OWNERS OF THE
CREEKWOOD CONDOMINIUM ASSOCIATION, INC.

The undersigned, acting as incorporator for the purpose of forming a non-profit corporation under Chapter 273.161, et seq., of the Kentucky Revised Statutes, adopts the following Articles of Incorporation for such corporation.

ARTICLE I

The name of the corporation shall be as follows:

COUNCIL OF CO-OWNERS OF THE
CREEKWOOD CONDOMINIUM ASSOCIATION, INC.

ARTICLE II

The duration of the corporation shall be perpetual.

ARTICLE III

The corporation is organized to incorporate COUNCIL OF CO-OWNERS OF THE CREEKWOOD CONDOMINIUM ASSOCIATION, INC. which shall administer the condominium regime created by the recording of the Master Deed establishing the CREEKWOOD CONDOMINIUMS in Deed Book _____, Page _____, in the JEFFERSON County Clerks Office. The council shall be composed of all of the co-owners of the condominium regime.

ARTICLE IV

The regulations of the internal affairs of the corporation shall be governed by the Master Deed and By-Laws attached as an exhibit to the Master Deed. The By-Laws and these Articles of

NON-RESIDENT
CORPORATION

Incorporation may be amended from time to time by a vote of the majority of the Council of Co-Owners as more specifically defined in the Master Deed and the By-Laws.

ARTICLE V

The address of the principal place of business and registered office of the corporation is 11835 Lake Stone Way Prospect, Kentucky 40059 and the name of the registered agent at that address is Carl R. Cox.

ARTICLE VI

The corporation is a non-profit organization having no shares of stock.

ARTICLE VII

The name and address of the incorporator is:

Carl R. Cox
11835 Lake Stone Way
Prospect, Kentucky 40059

ARTICLE VIII

The number of directors constituting the initial Board of Directors shall be two (2), and the name and address of the person who is to serve as director until the first annual meeting of co-owners are elected and qualified, is as follows:

CARL R. COX
11835 LAKE STONE WAY
PROSPECT, KY 40059

PATRICK R. LANCASTER, IV
5924 TIMBER RIDGE ROAD
SUITE 102
PROSPECT, KY 40059

BYLAWS
OF
COUNCIL OF CO-OWNERS OF THE
CREEKWOOD CONDOMINIUM ASSOCIATION, INC.

The following By-Laws shall apply to the condominium project known as Creekwood Condominiums (hereinafter called the "Project"), located on Fairground Road in Jefferson County, Kentucky, as described in and created by Master Deed and Declaration of Condominium Property Regime of Creekwood, (hereinafter called the "Master Deed"), recorded in the office of the County Clerk of Jefferson County, Kentucky; and to all present and future owners, tenants, and occupants of any units of the Project and all other persons who shall at any time use the Project.

ARTICLE I

Membership

Section 1. Qualification. All owners of units of the Creekwood Project shall constitute the Council of Co-Owners (herein called "Council"). The owner of any unit upon acquiring title thereto shall automatically become a member of the Council and shall remain a member thereof until such time as his ownership of such unit ceases for any reason at which time his membership in the Council shall automatically cease.

Section 2. Place of Meetings. Meetings of the Council shall be held in the Project or such other suitable place convenient to the Unit Owners as may be designated by the Board of Administration.

Section 3. Annual Meetings. Annual meetings of the Council shall be held on the last Monday of March of each year at a time set by the Board of Administration or such other date as may be determined by the Board with notice to the membership. The first such meeting for Unit Owners shall occur following surrender by the Developer of control of the Council and Board of Administration as provided in the aforesaid Master Deed.

Section 4. Special Meetings. Special meetings of the Council may be held at any time upon the call of the President or a petition signed by at least 25% of the Unit Owners and presented to the Secretary following surrender of Developer's control.

Section 5. Notice of Meetings. The Secretary shall give written or printed notice of each annual and special meeting to every Unit Owner according to the Council's record of ownership at least five (5) days before the date set for such meeting, stating whether

it is an annual or special meeting, the authority for the call thereof, the place, day and hour of such meeting, and the purpose therefore in any of the following ways: (a) by delivering it to him personally or (b) by leaving it at his unit in the Project or at his usual residence or place of business or © by mailing it, postage prepaid, addressed to him at his address as it appears on the Council's record of ownership. If notice is given pursuant to the provisions of this section, the failure of any Unit Owner to receive actual notice of any meeting shall in no way invalidate such meeting or any actions taken. The presence of any Unit Owner in person or by proxy at any meeting shall be deemed a waiver of any required notice to such owner unless he shall at the opening thereof object to the holding of such meeting because of the failure to give notice in accordance with the provisions hereof.

Section 6. Quorum. The presence at any meeting in person or by proxy of a majority of the Unit Owners shall constitute a quorum and the acts of a majority of the Unit Owners present, in person or by proxy, at any meeting at which a quorum is present shall be the acts of the Council except as otherwise provided herein. The term "majority of Unit Owners" in these By-Laws means the owners of units of more than 50% of the units in Creekwood.

Section 7. Voting. The owner of each unit shall be entitled to one (1) vote per unit. Votes may be cast in person or by proxy by the respective Unit Owners as shown in the record of ownership of the Council. Any executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Council for any unit owned or controlled by him in such capacity whether or not the same shall have been transferred to his name in the Council's record of ownership provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such unit in such capacity.

Section 8. Proxies and Pledges. The authority given by any Unit Owner to another person to represent him at meetings of the Council shall be in writing, signed by such owner and filed with the Secretary, and unless limited by its terms shall continue until revoked by writing, filed with the Secretary or by the death or incapacity of such owner. Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale or lease of any unit or interest therein, a true copy of which is filed with the Board through the Secretary, Administrator or Managing Agent, shall be exercised only by the person designated in such instrument until the written release or other termination thereof is filed with the Board in like manner.

Section 9. Adjournment. Any meeting of the Council may be adjourned from time to time to such place and time as may be determined by majority vote of the Unit Owners present whether or not a quorum is present without notice other than the announcement at such meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

ARTICLE II
Board of Administration

Section 1. Number and Qualifications. The affairs of the Council and the Project shall be governed by a Board of Administration composed of at least three (3) persons, all of whom shall be owners. The Board members shall serve without compensation unless otherwise authorized by the Council of Co-Owners.

Section 2. Powers. The Board of Administration shall have all powers necessary for the administration of the affairs of the Council and may do all such acts and things therefore as are not by law, the Master Deed or these By-Laws directed to be exercised or done only by the Unit Owners.

Section 3. Election and Term. Election of Board members shall be by ballot with one vote per office cast at each election at each annual meeting and any special meeting called for that purpose. The selection of directors may be done by a written ballot mailed to every owner of record and returned by a date certain as determined by the Board. Directors shall hold office for a period of two (2) years and until their respective successors have been elected, subject to removal as herein provided. Provided, however, at the annual meeting of the Council of Co-Owners in the year 2007, or such sooner time as administration is turned over by developer, three (3) directors shall be chosen by ballot with the two (2) directors chosen by the largest number of votes shall serve a term of two (2) years and the next succeeding director in terms of the number of ballots cast shall serve a term of one (1) year. Subsequent elections after 2002 shall serve a term of two (2) years except for the filling of vacancies in an unexpired term.

Section 4. Vacancies. Vacancies in the Board of Administration caused by any reason other than removal of a director by the Council shall be filled by vote of the majority of the Council of Co-Owners, and each person so elected shall be a director until his successor is elected at the next annual meeting of the Council. Death, incapacity or resignation of any director or his continuous absence from the State of Kentucky for more than six (6) months shall cause his office to become vacant.

Section 5. Removal of Board Members. At any regular or special meeting of the Council duly called, any one or more of the directors may be removed with or without cause by vote of majority of Unit Owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at such meeting.

Section 6. Annual Meeting. An organizational meeting of the Board of Administration shall be held at the place of and immediately following each annual meeting of the Council, and no notice shall be necessary to any Board members in

order validly to constitute such meeting provided that a majority of the whole Board shall be present. At such meeting, the Board shall elect the officers of the Council for the ensuing year.

Section 7. Regular Meeting. Regular meetings of the Board of Administration may be held at such time and place as shall be determined from time to time by a majority of the Board members, but at least one such meeting shall be held semi-annually. Notice of regular meetings of the Board shall be given to each Board member, personally or by mail, telephone, telegraph, at least one day prior to the date of such meeting.

Section 8. Special Meetings. Special meetings of the Board of Administration may be called by the President on at least eight (8) hours' notice to each Board member, given personally or by telephone or telegraph, which notice shall state the time, place, and purpose of such meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and with like notice on the written request of at least two Board members.

Section 9. Waiver of Notice. Before or at any meeting of the Board of Administration any Board member may in writing waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting shall be waiver of notice to him of such meeting. If all the Board members are present at any meeting of the Board, no notice thereof shall be required.

Section 10. Quorum of Board. At all meetings of the Board of Administration, a majority of the total number of members of the Board shall constitute a quorum for the transaction of business, and the acts of a majority present at any meeting at which a quorum is present shall be the acts of the Board. If less than a quorum shall be present at any meeting of the Board, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Fidelity Bonds. The Board of Administration shall require that all officers, employees, and agents of the Council handling or responsible for its funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Council.

Section 12. Other Duties. The Board shall give timely notice to the holder, insurer or guarantor of a mortgage on any unit of:

- a. any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;
- b. any 60-day delinquency in the payment of assessments or charges

- owed by the owner of any unit on which it holds the mortgage;
- c. a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the owners, association; and,
 - d. any proposed action that requires the consent of eligible mortgage holders.
 - e. Any other matter as required or contemplated by HUD regulations pertaining to Home Mortgage Insurance for condominium units.

ARTICLE III

Officers

Section 1. Designation. The principal officers of the Board shall be a President, a Vice-President, a Secretary, and a Treasurer who shall be elected by the Board of Administration. The offices of Secretary and Treasurer may be combined in one person. The Board may appoint an Assistant Treasurer, an Assistant Secretary, and such other officer as in its judgment may be necessary.

Section 2. Election and Term. The officers of the Board shall be elected annually by the Board of Administration at its annual meeting and shall hold office at the pleasure of the Board.

Section 3. Removal. Any officer may be removed either with or without cause by vote of a majority of the members of the Board of Administration and his successor elected at a regular meeting of the Board or any special meeting.

Section 4. President and Vice-President. The President of the Board shall be the Chief Executive Officer of the Council and shall preside at all meetings of the Council and the Board of Administration. Subject to the control of the Board he shall exercise general supervision and direction over the management and conduct of the business and affairs of the Council. He shall also have such other powers and duties from time to time as deemed necessary by the Board. The Vice-President shall so serve in the absence of the President.

Section 5. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Council and of the Board of Administration, give all notices thereof as provided by these By-Laws, maintain and keep a continuous and accurate record of ownership of all units, and have charge of such books, documents, and records of the

Council as the Board may direct.

Section 6. Treasurer. The Treasurer shall maintain and keep the financial records and books of account of the Council, prepare regular reports thereof, and be responsible for the proper deposit and custody in the name of the Council of all funds and securities.

Section 7. Auditor. The Board may appoint annually an accountant or accounting firm as auditor who may not be an officer of the Council nor own any interest in any unit to audit the books and financial records of the Council.

ARTICLE IV

Administration

Section 1. Management. The Board of Administration shall at all times manage and operate the Project and have such powers and duties as may be necessary or proper therefore including, without limitation, the following:

- (a) Supervision of the immediate management and operation of the Project;
- (b) Inspection, maintenance, repair, replacement, and restoration of the common elements and any additions and alterations thereto;
- (c) Purchase, maintenance, and replacement of any equipment provided for all water and utility services required for the common elements;
- (d) Provision at each unit of all water, sewer, electricity, and such other utility services and utilities as the Board shall deem necessary either at the expense of such unit or as a common expense as determined by the Board;
- (e) Employment, supervision, and dismissal of such personnel as may be necessary for the maintenance and operation of the Project;
- (f) Preparation at least sixty (6) days before each fiscal year of a proposed budget and schedule of assessments for such year;
- (g) Collection of all installments of assessments levied and payment of all common expenses authorized by the Board;

- (h) Purchase and maintenance of all policies of hazard and liability insurance for the Project required by the Master Deed and such other insurance and bonds as may be required or authorized by the Master Deed, the Council or the Board;
- (i) Notification of all persons having any interest in any unit according to the Council's records of ownership of delinquency exceeding thirty (30) days in the payment of any assessment against such unit;
- (j) Assignment and supervision of motor vehicle parking including the authority to make reasonable rules, fines, and charges in regard thereto;
- (k) Supervision of the use of the common elements including use of Limited Common Elements which includes adoption and enforcement of Project Rules and enforcement of the provisions of the Master Deed and these By-Laws.
- (l) The right to establish monetary fines for the purpose of enforcing the Project Rules, the Master Deed, and the bylaws of the Association. Fines shall become enforceable upon thirty (30) days written notice to the offending owner.

Section 2. **Managing Agent.** The Board of Administration may employ from time to time a responsible ~~Managing Agent~~ or Administrator to manage and control the Project subject at all times to direction by the Board with all the administrative functions set forth specifically in preceding Section 1 and such other powers and duties and at such compensation as the Board may establish.

Section 3. **Representation.** The President or Managing Agent, subject to the direction of the Board of Administration, shall represent the Council or any two or more Unit Owners similarly situated as a class in any proceeding affecting the Council, the common elements or more than one unit, and may participate in such proceedings without limiting the rights of any Unit Owners to participate individually.

Section 4. **Execution of Instruments.** All checks, drafts, notes, acceptances, conveyances, contracts, and other instruments shall be signed on behalf of the Council by such person or persons as shall be provided by general or special resolution of the Board of Administration, or in the absence of any such resolution of the Board of Administration, or in the absence of any such resolution applicable to such instrument, by the President or the Treasurer.

ARTICLE V

Obligations of the Unit Owners

Section 1. Assessments. All Unit Owners shall pay to the Board of Administration, or if a Managing Agent is appointed, to the Managing Agent, in advance, on the first day of each and every quarter the quarterly assessments against their respective units for common expenses of the Project in accordance with the Master Deed. The assessment is delinquent if not received on or before the first day of the month that it is due. In the event any Unit Owner is delinquent in the payment of any quarterly assessment for a period in excess of fifteen (15) days, a penalty of 10% of the delinquent assessment shall be payable for each month of delinquency beginning with the initial month. Without exception, the assessment levied hereunder for the benefit of the Association is not subject to credit or set-off unless authorized by the Council of Co-Owners. In addition, the Board may from time to time post in a conspicuous place upon the common elements the names of such delinquent Unit Owners and the delinquent amounts.

Section 2. Maintenance of Units. Every Unit Owner shall at his own expense and at all times repair, maintain, and keep his unit including, without limitation, all car ports and patio areas along with all internal installations therein such as water, electricity, telephone, sewer, sanitation, air conditioning, lights, and all other fixtures and accessories belonging to such unit, and the interior decorated or finished surfaces of all walls, floors, and ceilings of such unit in good order and condition except as otherwise provided by law or the Master Deed, and shall be liable for all loss or damage whatsoever caused by his failure to perform any such work whatsoever caused by his failure to perform any such work diligently, and in case of such failure after reasonable notice to perform shall reimburse to the Council promptly on demand all expenses incurred by it in performing any such work authorized by the Board of Administration or the Managing Agent. In addition, each Unit Owner shall keep clean all interior and exterior windows and patio areas even though such items are a part of the general or limited common elements. Every Unit Owner and occupant shall reimburse the Council promptly on demand for all expenses incurred by the Council in repairing or replacing any loss or damage to the common elements where caused by such owner or occupant or by their guests or members of their households or incurred for cleaning or repairing appurtenant limited common elements. They shall give prompt notice to the Board of Administration or Managing Agent of any loss or damage or other defect in the Project when discovered.

Section 3. Use of Project.

(a) All units of the Project shall be used only for single-family residential unit purposes.

(b) All common elements of the Project shall be used only for their respective purposes as designed.

(c) No Unit Owner or occupant shall place, store or maintain in the common element any furniture, packages or objects of any kind or otherwise obstruct transit through such common elements or permit said elements to be unsightly or disorderly.

(d) Every Unit Owner and occupant shall at all time keep his unit and any limited common element appurtenant thereto (including all windows, car ports, and patio areas) in a strictly clean and sanitary condition and observe and perform all laws, ordinances, rules, and regulations now or hereafter made by any governmental authority, the Council or the Board of Administration applicable to the Project.

(e) No Unit Owner or occupant shall make or suffer any waste or unlawful, improper or offensive use of his unit or the Project nor alter or remove any furniture, furnishings or equipment of the common elements.

(f) No Unit Owner or occupant shall erect or place in the Project any structure including fences, walls, and patios or make any additions or alterations to any common elements (including limited common elements) of the Project except as may be permitted in the Master Deed and except in accordance with plans and specifications including a detailed plot plan prepared by a licensed architect, if required by the Board, unless approved by the Board of Administration, which approval may be given with accompanying restrictions as to the Unit Owner's duties of maintenance, repair, and replacement of such improvements and any common elements affected thereby.

(g) No signs, posters or bills may be placed or maintained in the Project unless approved by a majority of Unit Owners except that an owner may place and maintain a "FOR SALE" or "FOR RENT" or similar type sign not more than five (5) feet in the window of the Unit owner.

(h) No Unit Owner or occupant shall decorate or landscape any entrance or other planting area adjacent to his unit except in accordance with standards therefore established by the Board of Administration or specific plans approved in writing by the Board which standards or approval may be given with accompanying restrictions as to the Unit Owner's duties of maintenance, repair, and replacement of such decorating or landscaping and any common elements affected thereby.

(i) All occupants shall exercise extreme care about making noises and in the use of musical instruments, radios, televisions, and amplifiers that may disturb other occupants.

(j) No garments, rugs, clothes line or other objects shall be hung from windows, facades, decks or patios of the Project or in other areas.

(k) No rugs or other objects shall be dusted or shaken from windows of the Project or cleaned by beating or sweeping on any exterior part of the Project.

(l) No refuse, garbage or trash of any kind shall be thrown, placed or kept on any common elements of the Project except in the areas provided for such purpose.

(m) No livestock, poultry, rabbits, snakes or other such animals shall be allowed or kept in any part of the Project. Dogs, cats, and caged animals or birds shall be allowed subject to regulation by the Board including regulations as to the number thereof.

(n) No Unit Owner or occupant shall without the written approval of the Board of Administration install any wiring for electrical or telephone installations, machines or air conditioning units, satellite dishes or other equipment or appurtenances whatsoever on the exterior of the Project or protruding through the walls, windows or roof thereof. Waterbeds shall only be allowed on first floor units.

(o) Nothing shall be allowed, done or kept in any units or common elements of the Project which would overload or impair the floors, walls or roof thereof including waterbeds or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance maintained by or for the Council.

(p) The Developer of the Project or its agent shall have the right to maintain and show units including the maintenance and showing of model units. A Unit Owner or his agent shall have the right to show his unit at reasonable times of the day for the purpose of sale or lease.

Section 4. Project Rules. The Board of Administration may adopt amend or repeal any rules and regulations governing details of the operation and use of the Project not inconsistent with any provisions of law, the Master Deed or these By-Laws.

Section 5. Expenses of Enforcement. Every Unit Owner shall pay to the Council promptly on demand ~~all costs and expenses~~ including reasonable attorneys' fees incurred by or on behalf of the Council in collecting any delinquent assessments against such unit, foreclosing its lien therefore or enforcing any provisions of the Master Deed, these Bylaws and Project Rules, including the imposition of any fine imposed under Article V, subparagraph (l), against such owner or any occupant of such unit.

Section 6. Record Ownership. Every Unit Owner shall promptly cause to be duly recorded the deed, assignment or other conveyance to him of such unit or other

evidence of his title thereto, and shall file a copy of same with the Board of Administration, and the Secretary shall maintain all such information in the record of ownership of the Council.

Section 7. Mortgage. Any Unit Owner who mortgages his unit, or any interest therein, shall notify the Board of Administration of the name and address of his mortgagee, and also of the release of such mortgage, and the Secretary shall maintain all such information in the record of ownership of the Council. The Board of Administration or Managing Agent at the request of any mortgagee or prospective purchaser of any unit or interest therein shall report to such person the amount of any assessment against such unit then due and payable.

ARTICLE VI

Miscellaneous

Section 1. Amendment. These By-Laws may be amended in any respect not inconsistent with provisions of law or the Master Deed by vote of 60% of the Unit Owners (as defined in the Master Deed) at any meeting of the Council duly called for such purpose.

Section 2. Indemnification. The Council shall indemnify every Board member and officer, and his executors and administrators, against all expenses reasonably incurred by or imposed on him in connection with any action, suit or proceeding to which he may be made a party by reason of being or having been a Board member except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for fraud or bad faith in his conduct; and in the absence of such final adjudication, indemnification shall be provided only in connection with such matters as to which the Council is advised by its legal counsel that the person to be indemnified committed no such breach of duty. The foregoing right of indemnification shall be exclusive of any other rights to which such person may be entitled.

Section 3. Interpretation. In case any provision of these By-Laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these By-Laws shall be deemed or construed to authorize the Council or Board of Administration to conduct or engage in any active business for profit on behalf of any or all of the Unit Owners.

Section 4. Incorporation. In the event that the Council of Co-Owners chooses to incorporate as permitted in the Master Deed, these By-Laws shall become the By-Laws of said corporation.

Section 5. Inter-Council Association. By action of the Board of Administration, the

Council of Co-Owners of Creekwood Homeowners, Inc. may participate in and contract with other such boards and councils of condominium regimes for the purposes of efficiency and economy in the operation and maintenance of the condominium regimes participating therein.

Section 6. Enforcement. Violation of the provisions of the Master Deed, these Bylaws or any Project Rules may be remedied in any court of law or equity having jurisdiction thereof by the Council of Co-Owners, its Board of Administration or Managing Agent or administrator, or any Unit Owner or owners entitled to relief with the remedies available to such person or persons including damages, restraining order, injunction, accounting, lien enforcement, and specific performance or any combination thereof.

Section 7. Developer's Rights. During the period of control of the Project by the Developer, it shall have the right to enforce the provisions of the Master Deed, By-Laws, and Project Rules as set out immediately above and in Article V, Section 5 of these Bylaws.

Certificate of Adoption

The undersigned Developer and Owner of all units of the Project hereby adopts the foregoing as the By-Laws of the Council of Co-Owners of Creekwood Condominium Association, Inc. on this 9th day of MAY, 2002.

Council of Co-Owners of the
Creekwood Condominium Association, Inc.

By Carl A. [Signature]
C & L Builders, Inc. a Kentucky
Corporation

PROJECT RULES

OF

Council of Co-Owners of the
Creekwood Condominium Association, Inc.

The Board of Administration of the Council of Co-Owners for Creekwood Condominium Association, Inc. (hereinafter referred to as the "Board"), under authority conferred by both the Master Deed for Creekwood and the By-Laws of the Council of Co-Owners of the Creekwood Condominium Association, Inc., hereby adopts the following Project Rules (hereinafter referred to as the "Rules") for Creekwood (hereinafter referred to as the "Project"):

1. Wherever in these Rules there is reference to "Unit Owners," such term shall be intended to apply to the Unit Owner of any Condominium Unit, to his tenants in residence, and to any guests, invitees or licensees of such Unit Owner, or tenant of such Unit Owner. Wherever in these Rules reference is made to the "Board," such reference shall include the Board and the management agent where such authority is delegated by the Board to such management agent.

2. Nothing shall be done or maintained in any Condominium Unit or upon any common elements which would be in violation of any law.

3. No noxious or offensive activity shall be carried on within or outside any Condominium Unit nor shall anything be done or be permitted to remain in any Condominium Unit or on the common elements which may be or become a nuisance or annoyance to the other Unit Owners. Waterbeds are allowed in Condominium units only on the first floor.

4. Unit Owners shall not make or permit to be made any disturbing noises which will unreasonably interfere with the rights, comforts or conveniences of any other Unit Owners. All Unit Owners shall keep the volume of any radio, amplifier, stereo, television or musical instrument in their Condominium Unit sufficiently reduced at all times so as not to disturb other Unit Owners in any building.

5. Unit Owners shall not permit any act or thing deemed extra-hazardous on account of fire or that will increase the rate of insurance on the premises. Unit Owners shall not keep any gasoline or other explosives or highly inflammable material on the said premises or storage area.

6. No burning of any trash and no unreasonable, unsightly or offensive smelling accumulation or storage of litter, new or used building materials, garbage or trash of any other kind shall be permitted within any Condominium Unit or upon any common element except where expressly authorized by the Board. Trash and garbage

containers shall not be permitted to remain in public view except at garbage pick-up points on scheduled pick up days. One waste carrier will be contracted by the association.

7. Unit Owners shall not suffer or permit anything to be thrown out of the windows on to the premises or grounds of the common elements or the dusting or shaking of mops, brooms or other cleaning material out of either the windows or the doors of the premises, and shall not permit anything to be placed in or hung from the outside of said windows.

8. There shall be no obstruction of any common elements. Nothing shall be stored upon any common elements without the approval of the Board.

9. No baby carriages, velocipedes, motorcycles, bicycles or other articles of personal property shall be left unattended on the grounds of the common elements.

10. The entrances, doorways, steps, and approaches thereto shall be used only for ingress and egress.

11. No structure of a temporary character, trailer, tent, shack, barn, doghouse or other outbuilding shall be maintained upon any common elements at any time.

12. No clothing, laundry, rugs, wash or any other item shall be hung from or spread upon any window, patio area or exterior portion of a Condominium Unit or in or upon a general common element.

13. All personal property placed in any portion of a Condominium Unit or any place appurtenant thereto shall be at the sole risk of the Unit Owner and the Board shall in no event be liable for the loss, destruction, theft or damage to such property.

14. The maintenance, keeping, breeding, boarding, and raising of animals, livestock or poultry of any kind, regardless of number, shall be and is hereby prohibited within any Condominium Unit or upon any common elements, except that this shall not prohibit the keeping of a small dog (not to exceed 30 lbs.), cat, and caged birds as domestic pets provided that they are not kept or maintained for commercial purposes or for breeding. Areas within the regime may be designated as the sole areas for the curbing of animals. Provided, however, each owner shall be responsible for cleaning up and removing animal feces from any area of the condominium including the designated area. A fine of Fifty Dollars (\$50.00) per incident is hereby imposed upon the offending owner. In no event shall any animal be permitted in any of the common elements of the Project unless carried or on a leash. The owner of such animal shall indemnify the Council of Co-Owners of the Project and hold it harmless against any loss or liability of any kind or character whatsoever arising from or growing out of having any animal in the Project. If a dog or other animal becomes obnoxious to other Unit Owners by barking, by elimination in un-designated areas (designated areas may be set by the Board) or otherwise, the owner thereof must cause the problem to be corrected; or if it is not corrected, the Unit Owner,

upon written notice by the Board, shall be required to dispose of the animal. Any animals outside the condominium units shall be accompanied by their owner at all times. No tethering of any animals.

15. All persons shall be properly attired when present on any of the common elements.

16. Solicitors are not permitted on the Project without consent of the Board. If you are contacted by one, please notify the Board's office immediately.

17. The common elements designated as parking areas are for automobiles only. Automobiles must have current license plates and be in operating condition. No auto repairing shall be permitted on the parking areas. Fully maintained conversion vans, SUV's and Pick up Trucks shall be deemed to be an automobile for the purpose of this section. No vehicles on premises are to exceed 21 feet in length.

18. All Unit Owners must observe and abide by all parking and traffic regulations as adopted by the Board or local authorities. Vehicles parked in violation of any parking rules or regulations will be towed away at the owner's sole risk and expense with the cost of moving or towing being added as a part of the responsible Unit Owner's maintenance charge. Violators of traffic regulations committed within Creekwood may be subject to the levy of a fine of up to \$100.00 per incident by the Association.

19. No buses, trucks longer than 21 feet, motor homes, trailers or commercial vehicles shall be parked in the parking areas or in driveways, except for vehicles utilized for moving the contents of a unit, and other deliveries not to exceed six (6) hours in duration per one visit.

20. No boats, motorcycles or campers shall be parked or stored in parking areas.

21. Parking so as to block sidewalks or driveways shall not be permitted. Each Unit Owner expressly agrees that if he shall illegally park or abandon any vehicle, he will hold the Council of Co-Owners of the Project harmless for any and all damages or losses that may ensue.

22. The water closets and other water and sewer apparatus shall not be used for purposes other than those for which they were designed; and no sweepings, matches, rags, ashes or other improper articles shall be thrown therein. The cost of repairing any damage resulting from misuse of any of the same shall be borne by the Unit Owner causing such damage.

23. The planting of plants, flowers, trees, shrubbery, and crops or landscaping of any other type is prohibited in the general common elements immediately adjacent to the Condominium Units without approval by the Board. All plantings within the limited common areas (patios or balconies) shall be the responsibility of the affected owner.

Provided, however, the Council of Co-Owners shall have the authority to properly maintain neglected limited common areas. The costs of such maintenance, after notice to the owner, shall become a special assessment against the affected unit.

24. Employees and agents of the Board are not authorized to accept packages, keys, money (except for condominium charges) or articles of any description from or for the benefit of the Unit Owners. If packages, keys, money or articles of any description are left with the employees or agents of the Board, it shall be at the sole risk of the Unit Owner. The Board does not assume any responsibility for loss or damage in such cases.

25. Deliveries requiring entrance to a Unit Owner's Condominium Unit will not be accepted unless the Unit Owner has signed an admittance slip and left a key. The Board cannot assume any responsibility for the condition in which deliveries are received.

26. Should an employee of the Board upon the request of a Unit Owner handle move, park or drive any automobile placed in the parking area then, and in every such case, such employee shall be deemed the agent of the Unit Owner. The Board shall not be liable for any loss, damage or expense that may be suffered or sustained in connection therewith.

27. Any damage to the equipment, facilities or grounds of the common elements caused by a Unit Owner, his family or pets shall be repaired at the expense of the Unit Owner.

28. In compliance with Section N of the Master Deed of Creekwood, each Unit Owner shall provide the Board of Administration with a Certificate of Insurance from his insurer, showing that he has the required property and comprehensive personal liability insurance in effect, said certificate to provide thirty days notice to the Board prior to cancellation of insurance.

29. The Unit Owner shall comply with all the Project Rules hereinabove set forth and with any other Project Rules which the Board in its discretion may hereafter adopt.

30. No personal property shall be left unattended on the grounds of the common elements (i.e., all areas outside patio fences and building walls including driveways). This includes all personal property such as cooking grills, bicycles, patio or lawn furniture, etc. These items shall be kept either in the unit, in the garage, or inside the patio fence area.

31. All allowed vehicles (see #19 and #20 of the Project Rules) shall be kept in the owners designated parking spot or driveway, except that guests may use common parking areas for a reasonable time (not to exceed seven days).

32. Quarterly maintenance fees are due on the 1st of every quarter following

date of deed. There shall be a 10% late payment penalty assessed on any payment made on or after the 16th day of each quarter and another 10% penalty assessed each thirty days thereafter. Fees are not subject to credit or set-off without prior approval of the Council of Co-Owners.

Certificate of Adoption

The undersigned developer and owner of all units of the Project hereby adopts the foregoing as the Project Rules of the Council of Co-Owners of Creekwood Condominiums on this 9th day of MAY, 2002.

Council of Co-Owners of the
Creekwood Condominium Association, Inc.

BY: Carl A. Ay

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CONDOMINIUM
OR
APT. OWNERSHIP
BOOK 87 PAGE 47-50
FILE NO. 1470

Document No.: BM2002096358
Lodged By: gs closing
Recorded On: 05/23/2002 02:13:01
Total Fees: 82.00
Transfer Tax: .00
County Clerk: Bobbie Holsclaw-JEFF CO KY
Deputy Clerk: CARINAR

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