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MASTER DEED AND DECLARATION OF  
CONDOMINIUM PROPERTY REGIME  
OAKSHIRE CONDOMINIUMS

CHASE DEVELOPMENT, INC., a Kentucky Corporation, of Louisville, Kentucky, hereafter referred to as the DEVELOPER, on the 29th day of July, 1975, declares this as its plan for ownership in condominium of certain property located in the City of Jefferson, Jefferson County, Kentucky, more particularly described as follows:

BEGINNING: at the intersection of the Southeast line of tract #1 conveyed to Gleason Wholesale Co., Inc., recorded in Deed Book 4612, Page 427, in the office of the Clerk of the County Court of Jefferson County, Kentucky, and the Southwest line of Taylorsville Road as evidenced by deed to the Commonwealth of Kentucky (Department of Highways) and recorded in Deed Book 1711, Page 166, in the office of the Clerk of the County Court of Jefferson County, Kentucky, thence South 37 degrees 20 minutes West with the Southeast line of said tract #1 and the Northwest line of the Lottie Owings lot 70.29 feet, thence South 39 degrees 36 minutes West with said Owings lot 199.54 feet to a corner of same, thence South 50 degrees 06 minutes East along the Northeast line of tract #3 conveyed to Gleason Wholesale Co., Inc., 145.92 feet to a corner of same and in the Northwest line of Brentwood Subdivision, thence South 27 degrees 30 minutes West along said Brentwood Subdivision 281.75 feet to a post, thence North 54 degrees 02 minutes West along the Southwest line of tract #3 219.42 feet to an iron pipe corner to said tract #3 and in the line of tract #2 conveyed to Gleason Wholesale Co., Inc., thence South 31 degrees 59 minutes West along the line of tract #2 aforesaid and the Northwest line of tract conveyed to Dan Ewing and wife 317.92 feet to a post corner of Henry Jacoby tract recorded in Deed Book 2160, Page 5, in the

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aforesaid office, thence North 57 degrees 43 minutes West along the North line of the Jacoby tract 33.04 feet to the Southwest corner of tract #2 conveyed to Gleeson Wholesale Co., Inc., thence North 21 degrees East 636.58 feet to a corner post in the line of tract #1 aforesaid, thence North 48 degrees West along the South line of said tract #1 25.56 feet to a corner of same, thence North 67 degrees 02 minutes East along the Northwest line of tract #1 295.25 feet to a point in the Southwest line of Taylorsville Road, as widened, thence South 55 degrees 42 minutes East along Southwest line of Taylorsville Road 66.02 feet to the point of beginning.

BEING the same property conveyed to the DEVELOPER by deed dated April 16, 1974, and recorded in Deed Book 4722, Page 372, in said Clerk's office.

In order to create a Condominium Project consisting of the property described above and improvements thereon (the "Project"), to be known as OAKSHIRE CONDOMINIUMS, the DEVELOPER hereby submits this property and all 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") as amended. In furtherance thereof, the DEVELOPER makes the following declarations regarding limitations, restrictions, covenants and conditions, hereby declaring 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 and lessees of any part of the Project.

A. Definitions. Certain terms as used in this Declara-

tion shall be defined as follows:

1. "Co-owner" or "Unit owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof who owns a Unit within the project.

2. "Council of Co-owners" or "Council" means all of the Unit owners acting as a group in accordance with this Declaration, any amendments hereto, the By-Laws and any other governing documents.

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

(a) The land in fee simple described herein-above:

(b) The foundations, main walls, roofs and entrances and exits or communication ways;

(c) Recreational facilities, easements and other facilities outside the buildings, including facilities off-site, if any, available for the common use, in part or in whole, of the regime;

(d) The premises, if any, for the lodging of janitors or persons in charge of the buildings, except as otherwise provided or stipulated;

(e) The compartments or installations of central services such as power, light, cold and hot water, refrigeration, reservoirs, water tanks and pumps, traffic control and the like;

(f) All other devices or installations existing for common use; and

(g) All other elements of the property rationally of common use or necessary to its existence, upkeep and safety.

4. "Limited Common Elements" means and includes, pursuant to KRS § 381.810(8), as expanded upon herein, those Common Elements which are reserved for the use of a particular Unit or certain number of Units to the exclusion of the other Units including but not exclusively:

Entrances and exits to the Unit.

Utilities common to the Units of a particular building.

Attic area immediately above a Unit and concrete slab below a unit.

Patio area designated to the rear of each unit and concrete patio slab and attached storage facility assigned to each Unit.

Automobile parking space as indicated on plans recorded or to be recorded under Section B of this Declaration.

Windows and window frames for each Unit.

Unit porches as indicated on plans recorded or to be recorded under Section B of this Declaration.

5. "Majority of Co-owners" means owners of fifty-one percent of the floor area of units comprising the regime.

6. "Unit" means an enclosed space as measured from interior unfinished surfaces consisting of one or more rooms occupying part of a floor in a building of more than one floor

or story (townhouse) (including the space between floors within the unit), having direct access to the Common Elements, as shown on the plans of the Project recorded herewith or to be recorded under Section B of this Declaration. Notwithstanding that some of the following might be located in a General Common Element area or Limited Common Element area, the plumbing, heating and air conditioning equipment, electrical facilities, hot water heater, telephone, window panes, garbage disposer, and any other equipment which may be located within or connected to said Unit for the purpose of serving same are a part of the Unit. Provided, however, any interior load bearing wall of a Unit, including party walls between Units (and the areas between them), shall be considered a General Common Element.

7. "Common Expenses" means and includes all charges, costs and expenses incurred by the Council for and in connection with the administration of the Project, including, without limitation thereof, operation of the Project, maintenance, repair, replacement and restoration (to the extent not covered by insurance and as hereinafter provided) of the Common Elements and additions and alterations thereto; all labor, services, common utilities, materials, supplies, and equipment therefor; all liability for loss or damage arising out of or in connection with the Common Elements and their use; all insurance premiums for hazard, liability and other insurance with respect to the Project; all liabilities incurred in acquiring a Unit

pursuant to judicial sale; and all administrative, accounting, legal and managerial expenses shall constitute Common Expenses of the Project for which the Unit owners shall be severally liable for their respective proportionate shares in accordance with their percentage of common interests as hereinafter specifically set forth. Common Expenses shall include the maintenance, repair and replacement of any utility service serving more than one (1) unit, including but not limited to, plumbing and electrical facilities. In addition, Common Expenses shall include any amounts designated by the Board of Directors, to be necessary to create a reserve for contingencies, such as future replacement of and capital improvements to the Common Elements. The Council, at its annual meetings, shall determine the total amount of Common Expenses anticipated for the forthcoming calendar year or fiscal year by the vote of a majority of the Co-owners which means the owners of fifty-one percent (51%) of the floor area of Units comprising the Project; provided, however, that if said anticipated amount (assessment) exceeds by five percent (5%) the total assessment for the previous year, then the approval by the owners of sixty percent (60%) of the floor area of the total floor area of all Units shall be required.

B. Description of Units. The Project is hereby divided into five (5) buildings containing a total of forty (40) town-house Units, with the owners of each unit having the exclusive

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ownership to his Unit and having a common right to a share with the other Co-owners in the Common Elements of the Project, equivalent to the percentage representing the floor area of the individual Unit, with relation to the floor area of all the Units comprising the regime (all Units). This percentage shall be computed by taking as a basis the floor area of the individual Unit in relation to the floor area of all the Units comprising the regime (all Units) as a whole. These Units are shown or designated in plans, recorded in the Office of the County Clerk of Jefferson County, Kentucky, in Apartment Ownership Book 8, Pages 1 through 7, which plans are incorporated in this Declaration by reference. Each unit is designated by building number and unit number as shown in said plans. Each Unit shall have available for use by its lawful occupants the Limited Common Elements, heretofore defined, reserved for the use of said Unit. The percentage of common interest of each Unit is expressed and established as set forth in Exhibit "A" hereto.

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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 Project; and shall have this percentage interest for all other purposes including voting. This percentage interest for each Unit has been computed by taking as a basis the floor area of the individual

Unit in relation to the floor area of the property (all units) as a whole. The undivided percentage of common interest for each Unit is shown in Schedule "A", attached hereto and made a part hereof by reference.

D. Easements. The Units and Common Elements, both General and Limited, shall have and be subject to the following easements.

1. An easement for any maintenance, repair and replacement of any and all pipes, wires, conduits, or other utility lines running through, over, under, or between any Unit, which facilities are utilized for or serve more than that Unit, said facilities being a part of the Common Elements, whether General or Limited.
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 General Common Elements encroaches upon any Unit or Limited Common Element, a valid easement for such encroachment, the maintenance, repair, and replacement thereof, so long as it continues, shall and does exist. If in the event any building in this Project shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the General and Limited Common



Elements due to reconstruction shall be permitted, and valid easements 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 Project and for the purpose of maintenance, repair, and replacement of the facilities and equipment necessary to provide said services, said utility to exercise this right in a reasonable manner.

5. An easement in favor of the Council of Co-owners, exercisable by the Board of Directors 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 Project, or, in the event of emergency, for necessary action to prevent damage to any part of the Project. This easement shall include the right of entry to enforce the rules and regulations of the Council.

6. Easements and/or agreements of record affecting the Project property, including the private roadways, to be shared with Jefferson Woods Apartments, as shown on the recorded plans.

7. All roadways within the Project are for the exclusive use of the Unit owners, members of their households, leasees, invitees and employees and others having a right to use same.

8. DEVELOPER reserves the right during development to grant, transfer, cancel, relocate, and otherwise deal with all utility and other easements now or hereafter located on the Project without necessity of authority from any Unit owner, except where such Unit is directly affected.

E. Alteration and Transfer of Interest. The Common Elements 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 herein 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 easements 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 (both General and Limited) shall be subject to the following restrictions, which restrictions shall be permanent;

1. The Unit shall be used only for residential purposes 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 Project rules which may be adopted from time to time by the Board of Directors of the Council as to the use and appearance of the Units and the Limited and General Common Elements.

2. Violation of this Declaration, the By-Laws or any rules of the Project property adopted by the Board of Directors, may be remedied by the Board, or its agent, by legal action for damages, injunctive relief, restraining order, or specific performance.

3. In addition, an aggrieved Unit owner may maintain a legal action for similar relief.

4. Notwithstanding the residential restriction above, the DEVELOPER shall be permitted to use unsold Units as models or sales offices, and further DEVELOPER reserves the right to lease at its own discretion any unsold Units until all Units owned by it are sold and transferred.

5. No Unit may be leased for a period of more than one year, such lease to be in writing and to permit renewals thereof only on a year-to-year basis. Except for such leases as made by the DEVELOPER with reference to Units owned by it as described in the provision immediately above, each such lease and each renewal thereof shall be subject to

*See Bylaw change for this section.*

the Council's right of first refusal as set out in Section "T" of this Declaration, said right of first refusal relating to the sale as well as leasing of a Unit.

H. Council of Co-owners. The administration of OAKSHIRE CONDOMINIUMS shall be conducted by Oakshire Condominium Council of Co-owners, Inc., a non-stock, non-profit Corporation created and existing under the laws of Kentucky (herein referred to as Council of Co-owners) in accordance with the provisions of this Master Deed and the By-Laws of the Council of Co-owners, as defined in Section 381.860 of the ACT (KRS), herein referred to as By-Laws. Every Co-owner, or Co-owners, of a Condominium Unit shall automatically become a member of the Council of Co-owners of this Condominium Project and shall remain a member of said Council until such time as his ownership ceases, for any reason, at which time his membership in said Council shall automatically cease. Other than as an incident to a lawful transfer of the title to a Condominium Unit, membership in the Council of Co-owners shall be non-transferable and any attempt to transfer the same shall be null and void. A copy of the Articles of Incorporation of Oakshire Condominium Council of Co-owners, Inc., is attached as Exhibit "C". The By-Laws of the Council of Co-owners shall be the By-Laws of the Condominium and a copy is attached as Exhibit "B". The By-Laws may be amended from time to time by vote of a majority of the Council.

The above Paragraph notwithstanding, the administration of the Project, including the adoption and amendment of By-Laws, adoption of Project rules, assessment of Common Expenses, and all other matters relating to the governing of the Project, shall be vested in the DEVELOPER until EIGHTY (80%) PERCENT of all Units which is THIRTY-TWO (32) Units in the Project have been sold and transferred, or TWO(2) years from the date this Master Deed and Declaration is recorded in the Jefferson County Court Clerk's office, whichever event first occurs. Until that time, the DEVELOPER shall constitute the Council of Co-owners and appoint the Board of Directors, and shall possess the irrevocable proxy of the Unit owners (which proxy each Unit owner gives the DEVELOPER upon acceptance of a deed to a Unit), all Unit owners agreeing to such administration by the DEVELOPER in accepting Unit conveyances.

I. Administration of the Project. Administration of the Project, 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 Project Rules adopted by the Board of Directors. 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, built, maintained, and repaired upon, adjoining, in connection with, or for the use of any part of the Project.

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 Project.

3. Well and substantially repair, maintain and keep all Common Elements of the Project in good order and condition; maintain and keep said land and all adjacent land between any street boundary of the Project 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 Project required in this instrument to be repaired by the Council.

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

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

6. Not make or suffer any strip or waste or unlawful, improper, or offensive use of the Project.

J. Board of Directors. Administration of the Project shall be conducted for the Council by a Board of Directors (the

DEVELOPER appointing such Board during the period outlined in Section H) who shall be chosen by the Council in accordance with the Articles of Incorporation and the By-Laws. Said Board shall be authorized to delegate the administration of its duties and powers to a managing agent or administrator employed for that purpose by the Board. It shall be the duty of the Board to determine annually, subject to the approval of the Council where required by law, the estimated Common Expenses of the Project for the succeeding twelve (12) months, and, having so determined, to make and collect the monthly assessments from each Unit owner based on his percentage of common interest. When no such determination is formally made for any year, the calculations utilized for the previous twelve (12) months shall remain in effect. All Co-owners are bound to contribute in accordance with their percentage of common interest toward the expenses of administration and of maintenance, repairs and replacement reserves of the General Common Elements, and, in the proper case, of the Limited Common Elements of the regime and toward any other expenses lawfully assessed under this Master Deed and/or by the Council of Co-owners.

K. Waiver of Use of Common Elements. No Unit owner shall be exempt from contributing toward the expenses of Administration, and of maintenance, repairs and replacement reserves of the General Common Elements, and, in the proper case, of Limited Common Elements in the Project, and toward any other expenses lawfully assessed under this Master Deed and/or by the

Council of Co-owners by waiver of the use or enjoyment of the Common Elements, both General and Limited, or by abandonment of the Unit belonging to him; provided, however, that abatement or reduction in an owners contribution may be granted by the Council of Co-owners for a reasonable period of time, during which a Unit is uninhabitable as the result of damage or destruction.

L. Unpaid Common Expenses Constitute Lien. All sums assessed by the Council of Co-owners but unpaid for the Unit's share of the Common Expenses constitute a lien on such Unit prior to all other liens, except only (1) liens for taxes and assessment lawfully imposed by governmental authority against such Unit, and (2) all sums unpaid on valid first mortgages of record. Such lien may be enforced by suit by the Administrator or the Board of Directors or its Agent, acting on behalf of the Council of Co-owners, in like manner as a mortgage of real property, provided that thirty (30) days' written prior notice of intention to sue to enforce the lien shall be mailed, postage prepaid to all persons having an interest in such Unit as shown on the Council's record of ownership. The Administrator or Board of Directors acting on behalf of the Council of Co-owners shall have power to bid in the Unit at Court sale, and to acquire hold, lease, mortgage and convey such Unit. Suit to recover a money judgment for unpaid Common Expenses of an owner shall be maintainable without lien enforcement or 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 obtains title to such Unit as a result of the judicial enforcement of the mortgage, such party and his successors shall not be liable for unpaid assessments on the share of Common Expenses which became due prior to such acquisition of title, except for any amount available from the proceeds of sale. Such unpaid shares of Common Expenses shall be deemed to be Common Expenses collectible from all Unit owners, including such new owner.

N. Insurance.

A. All insurance policies upon the condominium property shall be purchased by Council of Co-owners. The named insured shall be the Council of Co-owners individually and as agent for the Unit owners, without naming them, and as agent for their mortgagees. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of Unit owners. Such policies shall provide that payment by the insurer for losses shall be made to the Insurance Trustee designated below, and all policies and their endorsements shall be deposited with the Insurance Trustee. The Unit owners shall obtain insurance coverage at their own expense upon their Unit interiors and personal property 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 Project 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 Directors, 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 rights 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. The Council of Co-owners shall obtain and maintain at all times, to the extent available, at least the following insurance (hereinafter referred to as "Condominium Project Insurance"):

1. Insurance on the Condominium Project in an amount equal to the Full replacement value (i.e., 100% of "replacement cost") of the Condominium Project (as determined annually by the Board of Directors of the Council of Co-owners) and with a replacement cost endorsement which provides for the payment of all losses without deduction or allowance for depreciation. Such coverage shall afford protection against, at least, the following:

(i) loss or damage by fire or other hazards covered by the standard extended coverage endorsement and additional extended coverage endorsement;

(ii) such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including, but not limited to, vandalism,

malicious mischief, boiler and machinery explosion or damage, and such other insurance as the Board of Directors may from time to time determine; and

2. Public liability insurance in such amounts and in such forms as may be considered appropriate by the Board of Directors of the Council of Co-owners including, but not limited to, water damage, legal liability, hired automobile, non-owned automobile and any and all other liability incident to the ownership and/or use of the Condominium Project or any portion thereof; and

3. Workmen's compensation insurance to the extent necessary to comply with any applicable law; and

4. Such other policies of insurance, including insurance for other risks of a similar or dissimilar nature, as are or shall hereafter be considered appropriate to the Board of Directors of the Council of Co-owners.

B. The premiums for the insurance coverage shall be a Common Expense. The premiums attributable to coverage on the Units and the General Common Elements shall be apportioned among the Co-owners in accordance with their respective percentages of interest as set forth in Exhibit A attached hereto.

C. The Council of Co-owners, or its designee, shall have the exclusive authority to adjust losses under the said insurance policies. The Council of Co-owners is irrevocably appointed agent for each Unit owner and for each owner of a mort-

gage or other lien upon a Unit and for each owner of any other interest in the condominium property to adjust all claims arising under insurance policies purchased by Council of Co-owners and to execute and deliver releases upon the payment of claims.

D. In no event shall the insurance coverage obtained and maintained by the Council of Co-owners be brought into contribution with insurance purchased by individual Co-owners, or their mortgagees.

E. Each Co-owner may obtain additional insurance at his own expense upon his Condominium Unit provided that no Co-owner shall maintain insurance coverage which will tend to decrease the amount which the Council of Co-owners may realize under any insurance policy which it may have in force on OAKSHIRE CONDOMINIUMS.

F. All policies shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all mortgagees of the Units. First Kentucky Trust Company is designated as Insurance Trustee with the Council of Co-owners reserving the right to designate different Insurance Trustees.

G. The Council of Co-owners shall from time to time designate an Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be

to receive such proceeds as are paid and hold the proceeds in trust for the purposes elsewhere stated in this instrument and for the benefit of the Unit Owners and their mortgagees in the following shares but which shares need not be set forth on the records of the Insurance Trustee.

a. Common Elements: Proceeds on account of damage to Common Elements - an undivided share for each Unit owner, such share being the same as the undivided share in the Common Elements appurtenant to his Unit.

b. Townhouse Units: Proceeds on account of damage to Units shall be held in the following undivided shares:

1. When the building(s) is to be restored--for the owners of damaged Units in proportion to the cost of repairing the damage suffered by each Unit owner, which cost shall be determined by the Council of Co-owners.

2. When the building(s) is not to be restored--an undivided share for each Unit owner, such share being the same as the undivided share in Common Elements appurtenant to his Unit.

c. Mortgagees: In the event a mortgagee endorsement has been issued as to a Unit, the share of the Unit owner shall be held in trust for the mortgagee and the Unit owner as their interest may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be re-

constructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the Unit owner and mortgagee pursuant to the provisions of this Declaration.

Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

a. Expense of the trust: All expenses of the Insurance Trustee shall be paid first or provision made for such payment.

b. Reconstruction or repair: If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost of such as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittance to Unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

c. Failure to reconstruct or repair: If it is determined in the manner elsewhere provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittance to Unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

d. Certificate: In making distribution to Unit owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Council of Co-owners made by its president and secretary as to the names of the Unit owners and their respective shares of the distribution.

The Council of Co-owners shall be responsible for fees and expenses of the Insurance Trustee which shall constitute a Common Expense of OAKSHIRE CONDOMINIUMS.

H. Except as hereinafter provided, the Insurance Trustee named in the Condominium Project property endorsement shall receive and hold the amount payable under said Condominium Project Insurance and apply the same to the cost of reconstruction or repair of a damaged or destroyed Unit. The Co-owner of a damaged or destroyed Unit shall be obligated to commence the work of repairing or reconstruction of the Unit within Sixty (60) days from the date of the damage or destruction. The work shall be accomplished in accordance with the same plans and specifications by which the Unit was originally constructed, subject, however, to the prior written approval of the Council of Co-owners. The DEVELOPER shall deliver a set of the original plans and specifications to the Council of Co-owners for use if any reconstruction work becomes necessary. The Insurance Trustee shall make available and pay to the Co-owner and mortgagee, jointly, the amount of insurance proceeds received by the Insurance Trustee for the reconstruction and repair of the Unit. The payment of the proceeds of insurance shall be made as the work progresses at such time and shall impose, in order to assure full restoration

or repair of the damaged portions of the Unit in a workman-like manner, free and clear of any mechanic's and materialmen's liens and any encumbrances, liens, claims or charges. If the cost of the reconstruction or repair exceeds the amount paid to the Insurance Trustee, the excess shall be paid by the Co-owner; provided, however, that in the event two-thirds (2/3rds) or more of the total floor area comprising the total number of Units in OAKSHIRE CONDOMINIUMS are substantially damaged or destroyed, a decision not to reconstruct or repair the damaged or destroyed Units may be made within Sixty (60) days from the date of the damage or destruction by the vote of at least two-thirds (2/3rds) of the Co-owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws of the Council of Co-owners. In such event, OAKSHIRE CONDOMINIUMS shall be considered to be terminated, and the President and Secretary of the Council of Co-owners, for and on behalf of all said co-owners, in such event, shall record with the Office of the Clerk of the County Court of Jefferson County, Kentucky, a notice setting forth such facts leading to the termination of the Regime, and upon recording of such notice:

- (1) the property shall be deemed to be owned in common by the owners;
- (2) the undivided interest in the property owned in common which shall appertain to each owner shall be the per-



centage of undivided interest previously owned by such owner in the common area;

(3) any liens affecting any of the units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the owner in the property, and;

(4) the property shall be subject to an action for partition at the suit of any owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the owners in a percentage equal to the percentage of undivided interest owned by each owner in the common area, after first paying out of the respective share of the owners, to the extent sufficient for the purposes, all liens on the undivided interest in the property owned by each owner. Notwithstanding all other provisions hereof, the owners may, by affirmative vote of at least two-thirds (2/3rds) of the voting power, at a meeting of the Council of Co-owners duly called for such purpose, elect to sell or otherwise dispose of the property. Such action shall be binding upon all co-owners and it shall thereupon become the duty of every co-owner to execute and deliver such instrument and to perform all acts as in manner and form may be necessary to effect the sale. All damaged or destroyed Units must be repaired or restored if:

1. Less than two-thirds (2/3rds) of the total floor area of all Units are damaged or destroyed; or

2. More than two-thirds (2/3rds) of the total floor area of all Units are damaged or destroyed and a decision not to reconstruct or rebuild damaged or destroyed Units is not made as provided for hereinabove.

0. REVOCATION, TERMINATION AND AMENDMENT OF CONDOMINIUM PROPERTY REGIME:

1. The Condominium Project established by this Master Deed shall not be revoked nor any of the LAND or improvements removed from OAKSHIRE CONDOMINIUMS nor any of the provisions of the Master Deed amended unless two-thirds (2/3rds) of all the Co-owners, or the sole owner of the LAND covered hereby, if any there be, shall by deed make such amendment or waive this regime and regroup or merge the records of the filial estates with the principal property, provided, that the filial estates are unencumbered, or if encumbered, that the creditors in whose behalf the encumbrances are recorded accept as security the undivided portions of the property owned by the debtor, or otherwise agree to such revocation, amendment or removal by appropriate documentation.

2. In the event OAKSHIRE CONDOMINIUMS is terminated for any cause or reason other than revocation as aforesaid, then the entire Condominiums shall be deemed to be owned by all of the Co-owners as tenants in common in the same proportions as their percentages of interest in the General Common Elements expressed in Exhibit A of this Master Deed. Any liens affecting any of the Units shall be transferred in accordance with existing priorities to the percentage of the undivided interest of the

Co-owner of the Unit upon which the lien was originally imposed. Subsequent to termination the entire OAKSHIRE CONDOMINIUMS shall be subject to an action for partition at the suit of any Co-owner, in which event the net proceeds of sale shall be considered as one fund and shall be divided among all of the Co-owners in proportion to their percentages of interest as set forth in Exhibit A attached hereto; provided, however, that before any proceeds of sale are distributed to any Co-owner, all liens imposed upon the Unit previously owned by the Co-owner and all assessments imposed upon the Unit by the Council of Co-owners shall be satisfied in full, out of the share otherwise payable to said Co-owner.

3. Notwithstanding any other provisions contained herein concerning termination, the first mortgage liens on damaged or destroyed Units shall be satisfied out of the insurance or other proceeds to the extent sufficient for this purpose, prior to a partition suit being instituted and thereafter, the interest in the property owned, or in the distribution of the proceeds derived from a partition suit, of all such Unit Co-owners whose first mortgages have been so satisfied shall be proportionately adjusted.

P. Alteration of Project. Restoration or replacement of the Project (unless resulting from casualty destruction), or construction of any additional buildings (other than those initially contemplated in the Project), or substantial structural

alteration or addition to any building, different from any material respect on the condominium plans of the Project, shall be undertaken by the Council or any Co-owners only after unanimous approval of the entire Council and all first mortgage holders, granting to the Board of Directors the authority to amend this Declaration, 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 Directors shall duly record the amendment with a complete set of floor plans of the Project as so altered, certified as built by a registered architect or engineer.

Q. Maintenance Reserve Fund. The Board of Directors shall establish and maintain a Maintenance Reserve Fund, made up from the assessment by the Council of all Unit owners, payable in monthly installments, according to the Unit owner's respective percentage of interest, which the Council may annually estimate as adequate to cover the Common Expenses. The proportionate interest of each Unit owner in said Fund cannot be withdrawn or separately assigned, but shall be deemed to be transferred with such Unit even though not mentioned or described in the conveyance thereof. In case the Condominium Property Regime herein created shall be terminated or waived, any part of said Fund remaining after full payment of Common Expenses of the Council shall be distributed to all Unit owners in their

respective proportionate shares (percentage interest).

R. Liability of DEVELOPER for Common Expenses. The DEVELOPER shall be responsible only for the Common Expenses of the Project, actually incurred in excess of and above amounts payable to the Maintenance Reserve Fund by the Unit Owners, until it surrenders control of the Project as hereinabove provided. Thereafter, the DEVELOPER shall be liable for assessment for Common Expenses on Units owned by it. However, the DEVELOPER shall pay, with respect to units leased by it, such amounts as may be assessed for replacement reserves, but only on units then presently owned and being leased by the DEVELOPER at the time of such assessments.

S. Voting and Voting Percentages. The term "majority" or "majority of Unit owners" used herein or in the By-Laws shall mean the owners of the Units to which are appurtenant more than fifty percent (50%) of the percentage of common interest. Any specified percentage of Unit owners means the owners of Units to which are appurtenant such percentage of the common interest. Where a Unit is jointly owned by one or more persons, the vote for that 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 proxy.

T. Restriction on Sale or Lease. No Unit owner (excluding the DEVELOPER to which this restriction does not apply) may dispose of (other than by gift, devise or inheritance) or lease a Unit or any interest therein by sale or lease (or renewal of

*see Amendment (Bylaws Change)*

lease) without giving the Council of Co-owners the right of first refusal, which right shall be exercised or waived in the following manner:

1. An owner intending to make a sale or lease of a Unit or any interest therein shall give written notice to the Council through its Board of Directors, of such intention, together with the name and address of the intended purchaser or lessee, and such other information as the Board may reasonably require in connection with such transaction. Such owner shall, by such notice, also furnish the Council with the terms and conditions of the proposed sale or lease by sworn statement. The giving of such notice shall constitute a warranty and representation by such owner to the Council and to any purchaser or lessee produced by said Council as hereinafter provided, that such owner believes the proposal to be bona fide in all respects. No proposed transaction shall be deemed bona fide which is not evidenced by a written contract of sale, or lease, subject to this right of first refusal, executed by the selling or leasing owner and the proposed purchaser or lessee and containing all the terms of the sale or lease proposed to be made.

2. Within thirty (30) days after receipt of the notice described above, the Board, by majority vote, shall either approve the transaction or furnish a purchaser or lessee satisfactory to it, and such purchaser or lessee shall

execute a contract of sale or lease in accordance with the terms of the notice described above within thirty (30) days after the selling or leasing owner is given notice by the Council that such purchaser or lessee is being furnished by the Council. Failure of the Board to either approve such sale or lease or furnish an appropriate purchaser or lessee within such thirty (30) day period for any reason whatsoever shall be deemed to constitute waiver and release of this right of first refusal, following which the Board shall, nevertheless, prepare and deliver written evidence of its release in recordable form.

3. This right of first refusal shall not be used in any manner in violation of constitutional protections.

4. The DEVELOPER shall not be subject to this right of first refusal in the initial sale or any lease of any Unit following establishment of the Project, nor shall this right of first refusal apply in the event of judicial sale of the Unit.

U. Amendment of Declaration. Except as otherwise provided herein, or in said Condominium Property Law, this Declaration may be amended as provided in By-Laws of Oakshire Condominium Council of Co-owners, Inc., and as provided by KRS Chapter 381, 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 381.835(5) without necessity for any Unit owners joining in,

each of said Unit owners agreeing and consenting to such amendments in accepting conveyance of his Unit.

V. Consent of Mortgage Holder. Joining in this instrument is GREATER LOUISVILLE FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, holder of a mortgage (Mortgage Book 1527, Page 190, Jefferson County Clerk's Office) on the property described herein, solely for the purpose of indicating its consent to the submission of said property to a Condominium Property Regime.

W. Liability of Individual Unit Owner.

1. Where a judgment arising from a risk common to all of the Co-owners is in excess of the liability insurance in force, the liability of any Co-owner shall not exceed his pro rata share as determined by the percentage the value of his individual Unit bears to the value of the property (all Units) as a whole. An uncollected share of a judgment shall not be reassessed among the other Co-owners.

2. Any Unit owner shall be individually liable for injuries or damages which result from his own negligence or willful misconduct or which occur within his individual Unit to the same extent and degree as the individual owner of any other residential property.

X. Taking by Eminent Domain. Payment for the taking of a portion of a Unit or of the Common Elements by eminent domain or the conveyance under threat thereof shall be deemed to be proceeds from insurance on account of casualty and shall be deposited with the Insurance Trustee. Even though the awards



may be payable to a Co-owner, every such Unit Co-owner shall deposit the award with the Insurance Trustee. And, in the event of failure to do so, in the discretion of the Council of Co-owners, a special assessment shall be made against a defaulting Co-owner in the amount of his award, and the amount of such award shall be set off against the sums hereinafter made payable to such Co-owner. The proceeds of the award shall be distributed or used in a manner heretofore provided for insurance proceeds except that when the Condominium Property Regime is not to be terminated, and one or more Units are taken in part, the taking shall have the following effects:

1. If the Unit is Reduced but Tenable. If the Unit taking reduces the size of the Unit, and the remaining portion of the Unit can be made tenable, the award for the taking of a portion of the Unit shall be used for the following purposes, in the order stated, and the following changes shall be effected in the Condominium Property Regime.

(a) The Unit shall be made tenable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against the Owner of the Unit.

(b) The balance of the award, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit including in the mortgagee records list, the remittance being payable jointly to the Owner and the mortgagees.

(c) If the taking reduces a two-bedroom Unit to a one-bedroom Unit, the percentage assessment against the Owner of the Unit for the Common Expenses and share in the Common Elements shown in Exhibit A attached hereto shall be reduced to be the same as the percentage shown for the other Co-owners of similar Units and the shares of all Unit Co-owners and the liability for Common Expenses shall be recomputed, and adjusted.

2. Unit made Untenable. If the taking destroys or so reduces the size of the Unit that it cannot be made tenable, the award for the taking of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium Property Regime.

(a) The market value of such Unit immediately prior to the taking shall be paid to the Owner of the Unit and to each mortgagee of the Unit included in the mortgagee roster, the remittance being payable jointly to the Owner and the mortgagees.

(b) The remaining portion of such Unit, if any, shall become a part of the Common Elements and shall be placed in condition for use by all of the Unit Co-owners in a manner approved by the Council of Co-owners; provided, if the cost of such work shall exceed the balance of the fund from the award for the taking, such work shall be paid for by assessment as a Common Expense among all remaining Co-owners.

(c) The shares in the common elements and liability for expenses appurtenant to the Units which continue as a part of

the Condominium Property Regime shall be equitably adjusted to distribute the ownership of the Common Elements and liability for expenses among the reduced number of Co-owners. This shall be done by recomputing the shares of such continuing Co-owners in the Common Elements as pro rata percentages of the total of the shares of such Co-owners as they existed prior to the adjustment.

(d) If the amount of the award for the taking is not sufficient to pay the market value of the condemned Unit to the Owner, and to condition the remaining portion of the Unit for use as part of the Common Elements, the additional funds required for such purposes shall be raised by assessments against all of the Unit Co-owners who will continue as Co-owners of Units after the changes in the Condominium Property Regime affected by the taking. Such assessment shall be made in proportion to the shares of such Co-owners in the Common Elements after the changes effected by the taking. In the event that the market price cannot be determined by negotiation, it shall be determined by binding arbitration in accordance with the rules of the American Arbitration Association.

3. The Council of Co-owners shall thereafter have the right to file among the land records a deed of correction to incorporate all necessary changes.

WITNESS the signature of the DEVELOPER by its duly authorized officer, pursuant to Resolution of its Board of Directors, the day and year first above written and the signature of GREATER LOUISVILLE FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, by its authorized officer the day and year indicated.

800-4800 PAGE 707

CHASE DEVELOPMENT, INC.

BY: [Signature]  
JAMES J. ROTH, President

GREATER LOUISVILLE FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

BY: [Signature] President

DATE: July 29, 1975

STATE OF KENTUCKY )  
                          ) SS  
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me by JAMES J. ROTH, President of CHASE DEVELOPMENT, INC., a Kentucky Corporation, for and on behalf of said Corporation, this 29<sup>th</sup> day of JULY, 1975

My Commission expires: 2/25/78

[Signature]  
NOTARY PUBLIC  
Jefferson County, Kentucky  
*State at Large*

800-4800 PAGE 707

STATE OF KENTUCKY )  
                          ) SS  
COUNTY OF JEFFERSON)

300-4900 PAGE 708

The foregoing instrument was acknowledged before me by  
W. M. Hausenbueg, as President of GREATER LOUISVILLE  
FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, for and on behalf of  
said Association, this 29th day of July, 1975.

My Commission expires: February 9, 1978

James B. Hynce  
NOTARY PUBLIC

THIS INSTRUMENT PREPARED BY:

Joseph H. Cohen  
JOSEPH H. COHEN, Esq.  
Suite 600 Marion E. Taylor Bldg.  
312 South Fourth Street  
Louisville, Kentucky 40202

300-4900 PAGE 708

1 page

MASTER DEED AND DECLARATION OF  
CONDOMINIUM PROPERTY REGIME

OAKSHIRE CONDOMINIUM  
EXHIBIT "A"

<u>Unit Designation</u>	<u>Area-Square Feet</u>	<u>Percentage</u> <u>Common Interest</u>	<u>Assigned</u> <u>Parking Space</u>
<u>Building 1.</u>			
Unit 1	999.54 s.f.	2.3668	1.
2	999.54	2.3668	2
3	999.54	2.3668	3
4	999.54	2.3668	4
5	999.54	2.3668	5
6	999.54	2.3668	6
7	999.54	2.3668	7
8	999.54	2.3668	8
<u>Building 2.</u>			
Unit 1	999.54	2.3668	9
2	999.54	2.3668	10
3	1124.54	2.663	11
4	1124.54	2.663	12
5	999.54	2.3668	13
6	999.54	2.3668	14
<u>Building 3.</u>			
Unit 1	1124.54	2.663	15
2	1124.54	2.663	16
3	1124.54	2.663	17
4	1124.54	2.663	18
5	1124.54	2.663	19
6	1124.54	2.663	20
7	999.54	2.3668	21
8	999.54	2.3668	22
9	1124.54	2.663	23
10	1124.54	2.663	24
<u>Building 4.</u>			
Unit 1	1124.54	2.663	25
2	1124.54	2.663	26
3	999.54	2.3668	27
4	999.54	2.3668	28
5	1124.54	2.663	29
6	1124.54	2.663	30
7	999.54	2.3668	31
8	999.54	2.3668	32
<u>Building 5.</u>			
Unit 1	1124.54	2.663	33
2	1124.54	2.663	34
3	999.54	2.3668	35
4	999.54	2.3668	36
5	999.54	2.3668	37
6	999.54	2.3668	38
7	1124.54	2.663	39
8	1124.54	2.663	40
Total	42,231.60 sq. ft.	Total 100%	

EXHIBIT "B"

BY-LAWS OF OAKSHIRE CONDOMINIUM  
COUNCIL OF CO-OWNERS, INC.

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