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**THIRD AMENDMENT TO
DECLARATION OF HORIZONTAL PROPERTY REGIME AND MASTER DEED
SIGNATURE POINT CONDOMINIUMS**

This Third Amendment is made and entered into as of February 21, 2012, by **PBI BANK, INC.**, a Kentucky corporation, 2500 Eastpoint Parkway, Louisville, Kentucky 40223 ("**Declarant**").

RECITALS

A. Signature Point Condominiums LLC, Signature Point Apartments LLC and Signature Point KTC LLC, as the originally named declarants, placed of record a Declaration of Horizontal Property Regime and Master Deed Establishing Signature Point Condominiums, of record in Deed Book 9189, Page 584, in the office of the Clerk of Jefferson County, Kentucky the "**Declaration**"), which established the Signature Point Condominiums Project/Regime (the "**Condominium Project**"). Those original declarants amended the Declaration by an Amendment to Master Deed and Declaration Creating and Establishing a Plan for Condominium Ownership for Signature Point Condominiums, which is of record in Deed Book 9189, Page 645, in the office of the Clerk of Jefferson County, Kentucky.

B. Declarant is the successor to the original declarants pursuant to a Deed dated March 29, 2010, of record in Deed Book 9542, Page 153, in the office of the Clerk of Jefferson County, Kentucky.

C. Declarant amended the Declaration by a Second Amendment to Master Deed and Declaration of Condominium Property of Signature Point Condominiums, which is of record in Deed Book 9604, Page 600, in the office of the Clerk of Jefferson County, Kentucky.

D. Plans for the Condominium Project are of record in Condominium Book 123, Pages 58 and 59, and in Condominium Book 128, Pages 89 to 91 inclusive, in the office of the Clerk of Jefferson County, Kentucky.

E. Pursuant to the Declaration and amendments and plans recited above, the Condominium Project has twenty (20) existing Units, which are identified in Exhibit A to the Second Amendment recited in Recital paragraph B above (the "**Existing Units**").

F. The Condominium Project is designed to have many additional units built and made part of the Condominium Project on the Land defined in the Declaration and described in Exhibit A to the Declaration. Declarant has proposed to the Owners of the Existing Units that all land other than the land consisting of approximately 1.48 acres on which the Existing Units are constructed be withdrawn from the Condominium Project, making those Existing Units the only Units to be part of the Condominium Project provided that such withdraw shall be accompanied by a Declaration Regarding Common Facilities and Access Easements to be agreed to by Declarant and the Owners of the Existing Units by which the Owners of Existing Units shall retain the right to use and enjoy clubhouse, pool and park area and related facilities (the "**Recreation Facilities**") which are

currently a part of the Condominium Project (the “**Master Declaration**”). The withdrawal of all other land and the Recreation Facilities, if it occurs, would be accomplished by an amendment to the Declaration made by Declarant and the Owners of the Existing Units (and their mortgagees if applicable). That amendment, if it is made, is referred to in this Third Amendment as the “**Withdrawal Amendment**”.

G. Because the original declarants referred to in Recital paragraph A were unable to complete the Condominium Project, the assessments charged to the Owners of the Existing Units are higher than anticipated by those Owners, due in large part to the existence of recreational amenities designed to be used by many Units and their Owners. To alleviate some of the hardship on Owners of Existing Units, Declarant has determined to defray some of those excess costs, for a period of time, all as set forth in this Third Amendment.

H. Section 5.2(b) of the Declaration permits Declarant to amend the Declaration to make it in compliance with secondary mortgage market requirements, and Declarant desires to make such amendments.

AMENDMENTS

NOW, THEREFORE, for the purposes set forth in the Recitals, Declarant amends the Declaration as follows:

1. **Assessment Support.** The following table represents the operating assessments payable by the Owners of the following Units for calendar year 2012 pursuant to Section 6.3 of the Declaration, based on the budget prepared by the Signature Point Condominiums Council, Inc. (the “**Council**”).

BUILDING A	Operating Assessment
1	\$289.67
2	\$255.01
3	\$245.46
4	\$284.02
5	\$255.28
6	\$303.21
7	\$242.77
8	\$286.71
BUILDING B	
1	\$286.89
2	\$304.97
3	\$243.70
4	\$288.84
5	\$304.88
6	\$288.01
BUILDING C	
1	\$288.47
2	\$247.03

3	\$304.78
4	\$255.84
5	\$243.51
6	\$292.27

Declarant hereby agrees to pay to the Council any Section 6.3 operating assessment for any Existing Unit that is over and above the amounts set forth in the above table through December 31, 2014 [except as provided below, this agreement by Declarant does not apply to assessments pursuant to Section 6.4 or Section 6.5 of the Declaration]. In addition, the amounts set forth in the above table shall not increase by more than five percent (5.0%) per year, cumulative, in any year after 2015. Declarant directs the Council to charge the above amounts directly to the Unit Owners and to bill any excess to Declarant. If, however, Declarant fails to pay any excess amount agreed to be paid by Declarant pursuant to this Third Amendment, nothing in this Third Amendment is intended to, nor shall anything in this Third Amendment, bind the Council to the foregoing limits and, if for any reason, Declarant fails to pay any excess amounts herein agreed to be paid, the Council may bill to and recover from each Unit Owner the actual amount of the assessments established by the Council pursuant to the Declaration and applicable Kentucky law. In the event that Declarant fails to honor its obligations to pay any excess amount agreed to be paid by Declarant pursuant to this Third Amendment, the Owners of each Unit for which Declarant fails to pay excess amounts shall have the immediate right to enforce Declarant's obligations under this Third Amendment by action at law and, if any Unit Owner(s) pay to the Council the amounts payable by Declarant under this Third Amendment, the Unit Owner(s) so paying shall have the right to recover from Declarant the amounts paid by such Unit Owner(s) together with interest at the rate of 12% per year from the date paid by the Unit Owner(s) until the date collected from Declarant. The agreements made by Declarant in this Section 1 apply to PBI Bank, Inc. only for so long as it is the "Declarant" pursuant to the Declaration and if PBI Bank, Inc. assigns the rights of the Declarant to a successor Declarant, PBI Bank, Inc. shall be relieved of any responsibilities under this Third Amendment from and after the date of the assignment. The successor or assignee Declarant shall, however, be bound by the agreements made in this Third Amendment, whether or not expressly assumed by such successor or assignee. Notwithstanding anything to the contrary in this Third Amendment, however, Declarant's agreement to pay excess amounts set forth in this Section 1 shall cease and be of no further force and effect at the earlier to occur of (a) the recording of the Withdrawal Amendment and the full execution of the Master Declaration, (b) the completion of the Condominium Project, or (c) December 31, 2025. Declarant confirms that all expenses related to the development of the property that is part of the Condominium Project, including completion of infrastructure and including repairs and maintenance to portions of the Condominium Project that are General Common Elements damaged during development and construction are the obligations of Declarant and not of the Council. Declarant hereby agrees to pay to the Council any Section 6.4 or Section 6.5 special assessments for any Existing Unit which are levied by the Council to repair, replace, reconstruct or improve the Recreational Facilities to correct existing (whether currently known or unknown) defects or to make upgrades desired by Declarant, or to bring the Recreational Facilities into compliance with applicable local, state or federal laws, regulations, building codes, ordinances or orders [provided, Declarant's agreement to pay special assessments for repairs, replacements, reconstruction or improvements to the Recreational Facilities to comply with local, state or federal laws, regulations, building codes, ordinances or orders applies only to such laws, regulations, building codes, ordinances or orders as are in effect on the date of this Agreement]. The obligations

of the Developer with respect to payment of Section 6.4 and 6.5 special assessments related to the Recreational Facilities shall be coterminous with Declarant's obligations to pay Section 6.3 regular assessments under the terms of this Declaration.

2. **Mortgagee Protection.** A new Article XVII is added to the Declaration, as follows:

ARTICLE XVII
MORTGAGEE PROTECTIONS

16.1 Definitions. The following definitions apply to this Article XVII:

(a) "Eligible Holder" shall mean a holder of a bona fide first mortgage on any Unit, which either (a) requests notice of certain matters by written notice to the Council identifying the name and address of the Eligible Holder and of the Unit Owner and address or Unit number, or (b) which is otherwise entitled to certain notices under applicable standards of secondary market lenders such as, but not necessarily limited to, FannieMae, Freddie Mac, HUD, VA or FHA (provided this Declaration or amendments thereto require such notices to be given).

(b) "Eligible Insurer" shall mean an agency that guaranties, insures or purchases a bona fide first mortgage loan held by an Eligible Holder, which either (a) requests notice of certain matters by written notice to the Council identifying the name and address of the Eligible Mortgagee and of the Unit Owner and address or Unit number, or (b) which is otherwise entitled to certain notices under applicable standards of secondary market lenders such as but not necessarily limited to FannieMae, Freddie Mac, HUD, VA or FHA (provided this Declaration or amendments thereto require such notices to be given).

16.2 Amendment of Declaration; Rights of Eligible Holders.

(a) Declarant has certain amendment rights with respect to creating of Units (as set forth in Section 2.3 of the Declaration), with respect to correcting errors (as set forth in Section 5.2(c) of the Declaration), with respect to secondary market financing (as set forth in Section 5.2(b) of the Declaration), and those amendment rights are not affected by this Section 16.2. The Council has certain amendment rights as set forth in KRS 381.9113, in KRS 381.9139(3), in KRS 381.9147(1) and in KRS 381.9149 and those amendment rights are incorporated in this Section 16.2. Unit Owners have certain amendment rights as set forth in KRS 381.9139(2) and in KRS 381.9147(1) and those amendment rights are incorporated in this Section 16.2. Also, Declarant's general amendment rights set forth in Section 5.2(a) of the Declaration are ratified and affirmed except only as expressly limited in the following portions of this Section 16.2.

(b) In instances other than with respect to amendment rights set forth elsewhere in this Declaration or in the Kentucky Condominium Act, KRS 381.9101 to 381.9207, this Declaration may be amended [subject to the provisions of Section

16.2(d)] from time to time by a vote or agreement of Unit Owners holding at least sixty-seven percent (67%) of the votes in the Council, effective only upon recording of the signed and acknowledged instrument setting forth the amendment.

(c) The approval of Unit Owners holding 67% of the votes and of Eligible Holders holding first mortgages on Units to which at least 51% of the votes of Units subject to such mortgages appertain shall be required for any amendment that materially alters the establishment of, provision for, governance of or regulation of any of the following matters: (i) voting, (ii) assessments [not including normal annual or periodic adjustments that do not raise previously assessed amounts by more than 25%], assessment liens, or subordination of such liens, (iii) reserves for maintenance, repair and replacement of the General Common Elements, (iv) insurance or fidelity bonds, (v) rights to use the General Common Elements, (vi) responsibility for maintenance and repair of the several portions of the Condominium Project, (vii) expansion or contraction of the Condominium Project or the addition, annexation or withdrawal of property from the Condominium Project, (viii) redefinition of boundaries of Units (except that when boundaries of only adjoining Units are involved, or a Unit is being subdivided, then only those Unit Owners and the Eligible Holders holding first mortgages on such Unit or Units must approve such actions), (ix) reallocation of interests in General Common Elements or Limited Common Elements (except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and the Eligible Holders holding first mortgages on such Unit or Units must approve such actions), (x) convertibility of Units into General Common Elements or of General Common Elements into Units, (xi) leasing of Units, (xii) imposition of any rights of first refusal or similar restrictions on the right of a Unit Owner to sell, transfer or otherwise convey a Unit, (xiii) establishment of self-management where professional management had been required, or (xiv) provisions that expressly benefit Eligible Holders. Notwithstanding the foregoing, approval of Eligible Holders shall not be required with respect to the construction of new Units and incorporation of new Units into the Condominium Project in accordance with Section 2.3 and other applicable provisions of the Declaration. To the extent permitted by applicable law or regulations, an Eligible Holder shall be deemed to approve any such matter if the Eligible Holder does not respond within 60 days of the notice of the proposed action being given by certified mail, return receipt requested.

16.3 Amendment of Declaration; Rights of Eligible Insurers. The approval of Eligible Insurers is required for any of the following: (i) annexation of additional property to the Property, (ii) merger or consolidation of the Condominium Project with any other common interest community or the merger or consolidation of the Council with any other entity, (iii) dedication of General Common Elements, or (iv) the dissolution of the Council. To the extent permitted by applicable law or regulations, an Eligible Insurer shall be deemed to approve any such matter if the Eligible Insurer does not respond within 60 days of the notice of the proposed action being given by certified mail, return receipt requested.

16.4 Notices to Eligible Holders and Eligible Insurers. Upon written request to the Council identifying the name and address of the Eligible Holder or Eligible Insurer and of the Unit Owner and Unit number or address, such Eligible Holder or Eligible Insurer shall be entitled to time written notice of: (a) any proposed amendment changing (i) the boundaries of any Unit or any exclusive easement rights appertaining thereto, (ii) the interests in the General Common Elements (other than changes contemplated by Section 2.3 of this Declaration regarding the expansion of the Condominium Project), (iii) the number of votes appertaining to any Unit, or (iv) the purposes to which any Unit or the General Common Elements are restricted; and (b) any proposed termination of the Condominium Project; and (c) any condemnation or casualty loss that affects a material portion of the Condominium Project or any Unit on which there is a first mortgage held, insured or guaranteed by such Eligible Holder or Eligible Insurer; (d) any lapse, cancellation or material modification of any insurance policy maintained by the Council; and (e) any delinquency in payment of assessments or charges owed by a Unit Owner subject to the first mortgage of such Eligible Holder or Eligible Insurer, where such delinquency has continued for a period of 60 days.

3. **New Act and Savings Clause.** This Amendment is being recorded after the effective date of the Kentucky Condominium Act, KRS 381.9101 to 381.9207 (the "New Act"). The provisions of the New Act are incorporated in this Second Amendment but only (a) to the extent expressly provided in this Third Amendment, or (b) to the extent provisions of the New Act are required to be incorporated in this Second Amendment by virtue of this Third Amendment having been made after the effective date of the New Act. To the extent any provisions of this Third Amendment supplement provisions of the New Act or address matters not set forth in the New Act or vary matters set forth in the New Act that may by the terms of the New Act be varied, the provisions of this Third Amendment shall control. To the extent any provisions of this Third Amendment vary matters set forth in the New Act that by the express terms of the New Act may not be waived or varied, then the provisions of the Declaration shall be deemed amended to conform to non-waivable or non-variable provisions of the New Act.

4. **Ratification.** In all other respects, Declarant ratifies and affirm all of the terms and provisions of the Declaration.

WITNESS the signature of Declarant on the above date.

DECLARANT:
PBI BANK, INC.

By: _____

Will Crumbaugh
Vice President – Special Assets

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me on February 21, 2012, by Will Crumbaugh, Vice President – Special Assets of PBI Bank, Inc., a Kentucky corporation, on behalf of the corporation.

Notary Public

Commission expires: 10-2-13

This Instrument Prepared By:

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Document No.: DN201202182
Lodged By: FROST BROWN TODD
Recorded On: 02/21/2012 12:04:08
Total Fees: 25.00
Transfer Tax: .00
County Clerk: BOBBIE HOLSCAW-JEFF CO KY
Deputy Clerk: JULAR

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