

MASTER DEED AND DECLARATION OF  
CONDOMINIUM PROPERTY REGIME OF

ZORN PLACE

KARZEN HOMES, INC., a Kentucky corporation, hereafter referred to as the Developer, declares this as its plan for ownership in condominium of certain real property at 331 Zorn Avenue at its intersection with Madelle Avenue, in Louisville, Jefferson County, Kentucky, more particularly described as follows:

BEGINNING at the Northwest corner of the tract of land conveyed to Karzen Homes, Inc. by deed dated December 29, 1977, and recorded in Deed Book 4986, Page 234 in the Office of the Clerk of the County Court of Jefferson County, Kentucky, said point of beginning being in Karzen's Northwest line; said line also being the Southeasterly line of Ridgewood Subdivision as recorded in Plat Book 11, Page 72 in the aforesaid Clerk's Office; thence with said line, North 54 degrees 50 minutes 24 seconds East, 209.82 feet to the Northeast corner of Karzen's tract, said point also being the Northwest corner of James R., Jr. and Mary L. Flautt, thence leaving the Southeast line of Ridgewood Subdivision and continuing with Karzen's and Flautt's line, South 39 degrees 26 minutes 06 seconds East, 471.75 feet to a point in the Northwesterly line of Madelle Avenue, a 60 foot Public Avenue; thence leaving Flautt's line and continuing with said Northwesterly line of Madelle Avenue, South 55 degrees 59 minutes 46 seconds West, 196.21 feet to a point, thence continuing with said Avenue, South 59 degrees 54 minutes West, 60.0 feet to a point in the Easterly line of Salem Square Condominiums, as recorded in Apartment Ownership Book 3, Pages 1 through 7, inclusive in the aforesaid Clerk's Office; thence leaving said Madelle Avenue and with said Easterly line of Salem Square Condominiums, North 33 degrees 48 minutes West, 461.32 feet to the point of beginning. Containing 2.50 acres.

BEING the same property conveyed to the Developer by Deed dated December 29, 1977 and recorded in Deed Book 4986, Page 234 in the Office of the Clerk

of the County Court of Jefferson County,  
Kentucky.

W I T N E S S E T H:

In order to create a Condominium Regime consisting of the property described above and improvements thereon (the "Regime"), to be known as ZORN PLACE, 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, governance and conditions hereby declaring that this property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied and improved subject to this Master Deed and Declaration. The provisions hereof constitute covenants running with the land and are binding upon 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. "Council of Co-owners" or "Council" means all of the Unit Owners acting as a group in accordance with this Declaration, any amendments thereto, the bylaws and any other governing documents.

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

- (a) The land in fee simple described herein;
- (b) The foundations, roofs and entrances and exits or communication ways;
- (c) The grounds, subsurface, air rights, landscaping, roadways, parking areas 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.

3. "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 certain Unit or number of Units to the exclusion of other Units including but not exclusively:

- (a) Perimeter walls, ceilings and floors through to the interior unfinished surfaces of each Unit;
- (b) Entrances and exits to the Unit;
- (c) Chimneys;
- (d) Utility service facilities serving a Unit or several Units;
- (e) Attic area or space immediately above a Unit;
- (f) Unenclosed decks, porches, balconies and patio area adjoining the Units;
- (g) Exterior doors and window frames for each Unit.

4. "Unit" or "Condominium Unit" means the enclosed space consisting of a townhouse occupying two or more floors in a building (excluding the space between floors within the Unit),

having direct access to the Common Elements. 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 and shall include enclosed basement and garage space.

5. "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 of the Common Elements; any 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 (except as otherwise provided herein); 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 acquisition, 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 and deck replacement, road, driveway and parking lot 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

or reserves shall be included in the Regime's Common Expense budget for capital improvements. Not to be considered a "Common Expense" even though same may be part of or located upon the Common Elements is the repair or replacement of plumbing, heating and air conditioning equipment (including all ducts and pipes), electrical wiring and equipment, hot water heater, telephone equipment, built-in appliances, window panes and frames, exterior doors, storm and screen doors and windows, and any other such equipment or items located within or connected to a Unit for the sole purpose of serving same, the maintenance, repair and replacement of such items (except for exterior painting) being the responsibility of the Unit owner.

B. Description of Units. The Regime is hereby divided into eleven townhouse Units, containing two or more levels, 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 square footage of the Unit in relation to the total square footage of all eleven Units of the Regime. The initial four completed Units and Common Elements are shown or designated on plans, recorded in the office of the County Clerk of Jefferson County, Kentucky in Condominium Ownership Book 14, pages 38 through 40, recorded herewith, to be amended from time to time as construction of additional Units in this eleven Unit Regime are completed, which plans and amended plans are incorporated in this

BOOK 5096 PAGE 734

Declaration by reference. The Developer reserves the exclusive right to amend this instrument and said plans for the purpose of incorporating 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 alter the contemplated square footage of unbuilt Units.

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 other purposes including voting. The initial 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 upon completion of construction 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 square footage as related to the square footage of all Units of the Regime as built.

D. Easements. The Units and Common Elements 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 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 and 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 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 Regime and the Units thereon for the purpose of maintenance, repair and replacement of the facilities and equipment necessary to provide said services. The utility shall exercise this right in a reasonable manner.

5. Existing easements of record affecting the Regime property.

6. In addition, 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 Regime without necessity of authority from any Unit owner, except where such Unit is directly affected.

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 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 shall be subject to the following restrictions, which restrictions shall be permanent:

1. Each Unit shall be used only for one-family residential purposes, shall not be subdivided, and shall be subject

to such limitations and conditions as may be contained herein, or in the Bylaws 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 Common Elements. Notwithstanding this residential restriction, the Developer shall be permitted to use unsold Units as models or sales offices.

2. All Units having a deck and/or patio area, as shown on the plans of record in Condominium Ownership Book \_\_\_\_\_, pages \_\_\_\_\_ through \_\_\_\_\_, recorded herewith or recorded later "as built", may have such deck and/or patio fully enclosed and, thereby, make such enclosed space a part of the Unit, PROVIDED, plans and specifications for such enclosure, prepared by a licensed architect, shall be first presented to and approved by the Council, acting through its Board of Administration, to insure that the design and materials shall be congruous with that of the Regime and meet reasonable fireproofing and safety requirements. Should the Council approve the proposed enclosure, construction of same shall be in strict accordance with the plans and specifications and so certified by the designing architect upon completion. At that time the Council, acting through its Board of Administration, is authorized and directed to amend this Declaration and the Regime's recorded plans to show the Unit as modified and to amend the percentage of common interest of all Unit owners in light of the change in square footage resulting from the enclosure. A Unit owner desiring to exercise his or her rights

hereunder shall reimburse the Council for all out-of-pocket expenses incurred by it in approving plans and specifications and in preparation and recording of the necessary amendments.

3. No Unit owner or other occupant of a Unit, or their agents or employees, shall alter, remove or add to any Common Elements (including Limited Common Elements), except to replace existing equipment or appurtenances, without first obtaining the written approval of the Council, acting through its Board of Administration, unless such alteration, deletion or addition is specifically authorized by this Declaration, the Regime's Bylaws or other duly adopted rules.

4. In addition to the restrictions set out above, additional restrictions may be placed on the use, occupancy and appearance of the various Units and the Common Elements by the Board of Administration of the Council of Co-owners from time to time either by amendment to this Declaration, adoption and amendment to Bylaws and/or by adoption and amendment of Regime Rules, and any person or other entity acquiring ownership of a Unit does so with the advance understanding that this Declaration, Bylaws and Regime Rules authorized hereunder may be modified from time to time and, in all events, must be complied with by all owners of Units and other persons occupying same as well as agents and employees of same, the Unit owner(s) being held responsible for the actions in this regard of other occupants of their household, as well as their agents and employees.

5. Violation of this Declaration, the Bylaws or any Regime Rules duly adopted by the Board of Administration, may be remedied by the Board, or its agent, by legal action for damages, injunctive relief, restraining order, and/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 Bylaws 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 Bylaws, adoption of Regime rules, assessment of Common Expenses, and all other matters relating to the governing of the Regime, shall be vested in the Developer until all Units of the Regime (as may be expanded) have been sold, or until the Developer elects to surrender this power to the Unit owners, or until December 31, 1981, whichever first occurs. Until that time, the Developer shall constitute the Council of Co-owners and the Board of Administration, and shall possess the irrevocable proxy of the Unit owners (which proxy each Unit owner automatically 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 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 the responsibility of the Council of Co-owners in accordance with the provisions of the Kentucky Condominium Property Law, this Declaration, the Bylaws of the Council, and all Regime Rules adopted by the Board of Administration. Specifically, but without limitation, the Council, acting through its Board of Administration, 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 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. Well and 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. Observe any setback lines affecting the Regime as shown on the plans herein mentioned.

5. Not make or suffer any strip or waste or unlawful, improper or offensive use of the Regime.

6. Adopt Bylaws setting out its governance and other rules of the Regime, and, if it so desires, adopt Regime Rules relating to the use and appearance of the Regime and the components thereof including, but not exclusively, restrictions upon the use of the General and Limited Common Elements and the use of each Unit and restrictions relating to the appearance thereof.

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 Bylaws. 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 that purpose by the Board so long as such contract does not exceed two years in duration. 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 calendar year, and,

having so determined, to make and collect the assessment monthly or quarterly from each Unit owner based on his percentage of common interest. Where no such determination is formally made for any year, the calculations utilized for the previous year shall remain in effect until a new determination is adopted.

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 Constitute Lien. Unpaid Common Expenses assessed for any year shall constitute a lien on each Unit (although not required to be paid in advance), prior to all other liens except (1) liens for taxes and assessments lawfully imposed by governmental authorities against such Units and (2) 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' 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 (including any mortgagees) as shown on the Council's record 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. Suit to recover a money judgment for unpaid Common

Expenses shall be maintainable without judicial lien enforcement and 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, the lien against such Unit for past unpaid Common Expenses shall no longer be enforceable [for assessments which come due prior to acquisition of title or possession by the new owner(s), whichever comes first], except with respect to such lien rights as may be asserted against surplus proceeds of the judicial sale. Provided, however, in the event of a mortgage enforcement action or an action to enforce Common Expenses lien rights, the affected Unit owner shall pay to the Court Receiver (whose appointment is hereby authorized) a reasonable rental, which rental shall include the monthly Common Expense assessment for the Unit.

N. Insurance. Where reasonably obtainable the Board of Administration shall carry a master policy of fire and extended coverage, vandalism, malicious mischief and liability insurance, and if required by law, workmen's 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 interests may appear, subject to the provisions of this Declaration and the Bylaws (and provisions shall be made for the issuance of appropriate mortgagee endorsements to the mortgagees of the Unit owners). The Unit owners shall be responsible for obtaining insurance coverage at their own expense upon their Unit interiors and equipment and personal property and, in addition, shall obtain comprehensive personal liability insurance covering liability for damage to person or property of others located within or without such Unit owner's Unit. Liability coverage for the Council and individual Unit owners shall be in such amounts as shall from time to time be determined by the Board of Administration, but in no case shall there be less than Two Hundred Thousand Dollars (\$200,000.00) personal injury coverage for each occurrence. The Board and the Unit owners shall use their best efforts to see that all property and liability insurance carried by the Council or by the Unit owners shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims the insured might have against the Unit owners or the Council and their respective employees and agents and household members of the Units.

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, or at least eighty percent (80%) thereof, as determined from time to time by the Board.

3. The Council, acting through the Board, may elect to carry insurance to cover such other perils as from time to time shall be customarily covered with respect to buildings and improvements similar in construction, location and use and with respect to governance and operations of the Regime, including, but not exclusively, errors and omissions coverage for the protection of individual members of the Board of Administration and officers of the Council.

4. The Board shall use its best efforts to see that the liability insurance carried by the Council shall contain cross-liability endorsements precluding the insurer from denying claims of Unit owners solely because of their ownership interest in the Common Elements or membership on the Council.

5. All premiums upon insurance purchased by the Board shall be Common Expenses.

6. Proceeds of all casualty 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 O of the Declaration or except as the Board, any affected Unit owner and mortgage holder may agree that repair or reconstruction is not needed.

7. 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 therefor, 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.

8. The Board shall not be responsible for procurement or maintenance of any insurance covering the contents or the interior decorating of any Unit nor for the liability of any Unit owner for injuries sustained 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 reconstruction of the building(s) 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.

P. Alteration of Project. Restoration or replacement of a Regime building (unless resulting from casualty destruction),

or construction of any additional buildings or other improvements or betterments (other than those initially contemplated in the Regime or in this Declaration), or substantial structural alteration or addition to any building, different in any material respect to the condominium plans of the Regime, shall be undertaken by the Council only after unanimous approval by the Board of Administration, who shall have the authority to amend this Declaration for such purpose if deemed necessary, such alteration, restoration or replacement to be 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 or part of the Regime as so altered, certified as built by a registered architect or engineer, which amendment shall set out any alteration in Unit percentage of common interest.

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 of the Common Expense budget for that particular year is assigned to capital replacement reserves, ten percent 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 repayment of indebtedness incurred under Section U, 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 and/or savings accounts, so long as such investment is issued 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 are 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) and their mortgagees.

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 hereinabove provided; to-wit, when all Units have been sold, when the Developer so elects, or December 31, 1981, whichever first occurs. Thereafter, the Developer shall be liable for assessment for Common Expenses on any Units owned by it, if and when initially 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 costs of reconstruction, major repair, replacement or alteration of the Common Elements incurred under Section O (to the extent not covered by insurance proceeds) or Section P of this Declaration, provided that the repayment of such loan can be amortized over a period of no 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 now 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 such 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  
payoff of the loan.

U. Voting and Voting Percentages. The term "majority"  
or "majority of Unit owners" used herein or in the Bylaws shall  
mean the owners of the Units to which are appurtenant more than  
fifty percent 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  
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), as their interests may appear, shall be entitled to receive the award for such Unit taking and, after acceptance thereof, he, 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 not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Council of Co-owners on behalf of such owner. In that event, the Council shall rebuild the Unit as is necessary to make it habitable and remit the balance, if any, of the condemnation proceeds pertinent to such Unit 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 any improvements or land 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. 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. Off Site Drainage Restriction. Developer has agreed with the Jefferson County Department of Public Works and adjacent property owners to the North of the Regime to make certain improvements to the existing drainage way lying between the Regime property and the main creek stem to the North, said improvements intended to protect against undue erosion or sedimentation caused by drainage from Zorn Place. In furtherance of this understanding the Council of Co-owners shall be responsible for the continuing maintenance of said drainage way to afford the protection indicated.

X. Amendment of Declaration. Except as otherwise provided in this instrument, or required in said Condominium Property Law, this 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 381.835(5), KRS 381.830(1)(b) and Sections 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.

Y. 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, in the administration of the Regime with the membership and voting rights in such corporation being the same as membership and voting rights hereinabove established for the Council.

WITNESS the signature of the Developer by its duly authorized officer on June 12, 1979.

KARZEN HOMES, INC.

BY Ferd B. Weis  
Vice-President

STATE OF KENTUCKY )  
COUNTY OF JEFFERSON )

The foregoing instrument was acknowledged before me this June 12, 1979, by Ferd B. Weis, Vice-President of Karzen Homes, Inc., a Kentucky corporation, on behalf of the corporation.

Joseph B. Helm  
Notary Public, State of Ky  
Commission expires: July 14, 1982

This instrument prepared by  
Joseph B. Helm  
Mark B. Davis  
BROWN, TODD & HEYBURN  
1600 Citizens Plaza  
Louisville, Kentucky 40202

Joseph B. Helm

EXHIBIT A OF  
 MASTER DEED AND DECLARATION OF  
 CONDOMINIUM PROPERTY REGIME OF  
ZORN PLACE

BOOK 5096 PAGE 754

old

<u>Unit Designation</u>	<u>Square Footage (including garage space)</u>	<u>Estimated Percentage of Common Interest</u>
Building A, Unit 1	4,171 (as built)	9.72
Building A, Unit 2	3,524 (as built)	8.21
Building B, Unit 3	4,147 (as built)	9.66
Building B, Unit 4	3,562 (as built)	8.30
Building C, Unit 5	4,174 (estimated)	9.72
Building C, Unit 6	4,174 (estimated)	9.72
Building C, Unit 7	3,900 (estimated)	9.08
Building C, Unit 8	3,700 (estimated)	8.62
Building D, Unit 9	3,700 (estimated)	8.62
Building D, Unit 10	4,177 (estimated)	9.73
Building D, Unit 11	<u>3,700</u> (estimated)	<u>8.62</u>
	42,929	100.00

CONDOMINIUM  
 OR  
 APT. OWNERSHIP  
 BOOK 14 PAGE 38-40  
 FILE NO. 155

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RECORDED

FIRST AMENDMENT TO  
MASTER DEED AND DECLARATION OF CONDOMINIUM  
PROPERTY REGIME OF ZORN PLACE

KARZEN HOMES, INC., a Kentucky corporation, hereinafter referred to as the "Developer", on this 28<sup>th</sup> day of November, 1979, hereby declares this as the First Amendment to the Master Deed and Declaration of Condominium Property Regime of Zorn Place, dated June 12, 1979, and recorded in Deed Book 5096, page 729, in the Office of the Clerk of the County Court of Jefferson County, Kentucky.

W I T N E S S E T H:

WHEREAS, the aforesaid Master Deed and Declaration contemplates amendments thereto from time to time as units within the Regime are completed, and

WHEREAS, Units 5, 6, 7 and 8 have now been completed,

NOW, THEREFORE, Developer hereby incorporates the above described units into the Regime and files herewith the Plans of Units 5, 6, 7 and 8, certified by a professional engineer "as built" as required under KRS 381.835(5), and therefore, the Master Deed and Declaration is hereby amended to adopt the floor plans of said units, said plans being recorded in Condominium Ownership Book 17, pages 41 through 44, inclusive (Clerk's File No. 196) in the Office of the aforesaid Clerk.

IN TESTIMONY WHEREOF, witnesss the signature of the Developer by its duly authorized officer the day and year first

above written.

KARZEN HOMES, INC.

By Ronald M. Karzen  
Ronald M. Karzen, President

STATE OF KENTUCKY )  
COUNTY OF JEFFERSON )

The foregoing First Amendment to Master Deed and Declaration of Condominium Regime of Zorn Place was acknowledged before me by Ronald M. Karzen, President of Karzen Homes, Inc., on behalf of said corporation this 28<sup>th</sup> day of November, 1979.

Joseph B. Helm  
Notary Public

Commission expires: July 14, 1982

This Instrument Prepared By  
Joseph B. Helm  
Brown, Todd & Heyburn  
1600 Citizens Plaza  
Louisville, Kentucky 40202

Joseph B. Helm

APT. OWNERS  
BOOK 17 PAGE 41-44  
FILE NO. 196

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AND RECORDED  
PAID S. & M. INC. TAX  
PREMER FINLFR J.C.C.  
Helms

162 PAGE 830

SECOND AMENDMENT TO  
MASTER DEED AND DECLARATION OF CONDOMINIUM  
PROPERTY REGIME OF ZORN PLACE

KARZEN HOMES, INC., a Kentucky corporation, hereinafter referred to as the "Developer", on this 24 day of April, 1980, hereby declares this as the Second Amendment to the Master Deed and Declaration of Condominium Property Regime of Zorn Place, dated June 12, 1979, and recorded in Deed Book 5096, page 729, in the office of the Clerk of the County Court of Jefferson County, Kentucky, as amended by the First Amendment to same, dated November 28, 1979, and recorded in Deed Book 5136, page 705, in said Clerk's office.

W I T N E S S E T H:

WHEREAS, the aforesaid Master Deed and Declaration contemplates amendments thereto from time to time as units within the Regime are completed, and

WHEREAS, Units 9, 10 and 11 have now been completed and thus completing the development of all the units in the Regime as contemplated in said Master Deed and Declaration,

NOW, THEREFORE, Developer hereby incorporates Units 9, 10 and 11 into the Regime and files herewith the Plans of said units, certified by a professional engineer "as built" as required under KRS 381.835(5), and the Master Deed and Declaration is hereby amended to adopt the floor plans of said units, said plans being recorded in Condominium Ownership Book 19, pages 15 through

18, inclusive (Clerk's File No. 215) in the Office of the afore-  
said Clerk. In addition, the Developer, as contemplated and in  
accordance with Section C of said Master Deed and Declaration,  
files herewith and incorporates as a part hereof "Amended Exhibit  
A" which amended exhibit constitutes the final, adjusted percent-  
age of common interest (heretofore estimated) of the units in the  
Regime based upon the square footage of the units, as built.

IN TESTIMONY WHEREOF, witness the signature of the De-  
veloper by its duly authorized officer the day and year first  
above written. -

KARZEN HOMES, INC.

By Ronald M. Karzen  
Ronald M. Karzen, President

STATE OF KENTUCKY )  
COUNTY OF JEFFERSON )

The foregoing First Amendment to Master Deed and Declara-  
tion of Condominium Regime of Zorn Place was acknowledged before  
me by Ronald M. Karzen, President of Karzen Homes, Inc., on behalf  
of said corporation this 24 day of April, 1980.

Frances D. Park  
Notary Public

Commission expires: Jan. 16, 1982

This Instrument Prepared By  
Joseph B. Helm  
Brown, Todd & Heyburn  
1600 Citizens Plaza  
Louisville, Kentucky 40202

Joseph B. Helm

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RECORDED  
APR 25 1980  
PAID \$650.00  
BOOK 19-17-215  
FILE NO. 215

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AMENDED EXHIBIT A OF  
MASTER DEED AND DECLARATION OF  
CONDOMINIUM PROPERTY REGIME OF  
ZORN PLACE

<u>Unit Designation</u>	<u>Square Footage (including garage space)</u>	<u>Estimated Percentage of Common Interest</u>
Building A, Unit 1	4,171 (as built)	9.714
Building A, Unit 2	3,524 (as built)	8.207
Building B, Unit 3	4,147 (as built)	9.658
Building B, Unit 4	3,562 (as built)	8.296
Building C, Unit 5	4,223 (as built)	9.835
Building C, Unit 6	4,201 (as built)	9.784
Building C, Unit 7	3,684 (as built)	8.580
Building C, Unit 8	3,811 (as built)	8.875
Building D, Unit 9	3,674 (estimated)	8.557
Building D, Unit 10	4,408 (estimated)	10.266
Building D, Unit 11	<u>3,533 (estimated)</u>	<u>8.228</u>
	42,938	100.000

ELIUS...

FOURTH AMENDMENT TO  
MASTER DEED AND DECLARATION  
OF CONDOMINIUM PROPERTY REGIME  
OF ZORN PLACE

The COUNCIL OF CO-OWNERS OF ZORN PLACE, a condominium property regime (the "Council"), acting through its Board of Administration (the "Board"), hereby declares this as the Fourth Amendment to the Master Deed and Declaration of Condominium Property Regime of Zorn Place, dated June 12, 1979, as amended on November 28, 1979, April 20, 1980 and October 24, 1980, which Master Deed and amendments thereto are recorded in Deed Book 5096, Page 729, Deed Book 5136, Page 705, Deed Book 5162, Page 830 and Deed Book 5196, Page 683, respectively, all in the office of the Clerk of the County Court of Jefferson County, Kentucky.

WHEREAS, acting pursuant to Section G.2. of the Master Deed, the owner of Unit 6, Building C, has enclosed certain deck and patio space with the consent and approval of the Council, acting through the Board, and

WHEREAS, as the result thereof, it is now incumbent upon the Council to amend the Master Deed and the recorded floor plans in order to adjust the percentage of common interest of the unit owners, modified as the result of the increase in the size of Unit 6, and to indicate the added space and location thereof, now annexed to Unit 6, Building C,

NOW, THEREFORE, THE COUNCIL, ACTING THROUGH ITS BOARD:

1. Files herewith the amended plans of Unit 6, Building C, certified by registered architect "as built" as required under KRS 381.835(5), said plans being recorded in Condominium Ownership Book 41, Pages 36- through 39, inclusive (Clerk's File No. 566) in the office of the aforesaid Clerk.

2. Files herewith and incorporates as a part hereof "Amended Exhibit A" which amended exhibit supersedes and constitutes full substitution of Amended Exhibit A, filed with the Third Amendment to the Master Deed and Declaration, referenced hereinabove, the Amended Exhibit A filed with this Fourth Amendment, setting forth the square footage and the percentage of common interest of each unit of Zorn Place, as such is presently constituted.

IN TESTIMONY WHEREOF, witness the signature of the Council, acting through its Board of Administration, as evidenced by the signatures of the President and the Secretary/Treasurer of the Board hereinbelow, this Fourth Amendment to be effective as of the 1<sup>st</sup> day of January, 1989.

COUNCIL OF CO-OWNERS OF  
ZORN PLACE

By Joseph B. Wally  
President, Board  
of Administration

By Jo Ann Hammond  
Secretary/Treasurer,  
Board of Administration

COMMONWEALTH OF KENTUCKY )  
 ) ss.  
COUNTY OF JEFFERSON )

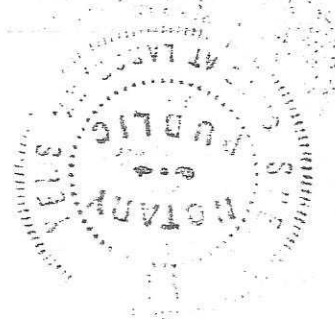
The foregoing instrument was acknowledged before me  
this 27 day of April, 1989, by  
Joseph B. Woodlief, President and Jo Ann Gammon,  
Secretary/Treasurer of the Board of Administration of the  
Council of Co-Owners of Zorn Place, a condominium regime.

Sherry Lynn Myers Gennett  
Notary Public

Notary Public, State at Large, KY  
Commission expires My commission expires May 6, 1989

This Instrument Prepared By  
Joseph B. Helm  
Brown, Todd & Heyburn  
1600 Citizens Plaza  
Louisville, Kentucky 40202

Joseph B. Helm



AMENDED EXHIBIT A OF  
 MASTER DEED AND DECLARATION OF  
 CONDOMINIUM PROPERTY REGIME OF  
ZORN PLACE

Fourth Amendment

<u>Unit Designation</u>	<u>Square Footage (including garage space)</u>	<u>Percentage of Common Interest</u>
Building A, Unit 1	4,171 (as built)	9.551
Building A, Unit 2	3,524 (as built)	8.070
Building B, Unit 3	4,147 (as built)	9.496
Building B, Unit 4	3,562 (as built)	8.157
Building C, Unit 5	4,223 (as built)	9.670
Building C, Unit 6	4,933 (as built)	11.296
Building C, Unit 7	3,684 (as built)	8.436
Building C, Unit 8	3,811 (as built)	8.727
Building D, Unit 9	3,674 (as built)	8.413
Building D, Unit 10	4,408 (as built)	10.094
Building D, Unit 11	<u>3,533</u> (as built)	<u>8.090</u>
	43,670	100.000

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 JIM "POP" MALONE J.C.C.  
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FIFTH AMENDMENT TO  
MASTER DEED AND DECLARATION  
OF CONDOMINIUM PROPERTY REGIME  
OF ZORN PLACE

The COUNCIL OF CO-OWNERS OF ZORN PLACE, a condominium property regime (the "Council"), acting through its Board of Administration (the "Board"), hereby declares this as the Fifth Amendment to the Master Deed and Declaration of Condominium Property Regime of Zorn Place, dated June 12, 1979, as amended on November 28, 1979, April 20, 1980, October 24, 1980 and January 1, 1989, which Master Deed and amendments thereto are recorded in Deed Book 5096, Page 729, Deed Book 5136, Page 705, Deed Book 5162, Page 830, Deed Book 5196, Page 683 and Deed Book 5862, Page 246, respectively, all in the office of the Clerk of the County Court of Jefferson County, Kentucky.

WHEREAS, acting pursuant to Section G.2. of the Master Deed, the owners of Units 6 and Unit 7, Building C, have enclosed certain limited common element space with the consent and approval of the Council, acting through the Board, and

WHEREAS, as the result thereof, it is now incumbent upon the Council to amend the Master Deed and the recorded floor plans in order to adjust the percentage of common interest of the unit owners, modified as the result of the increase in the size of Units 6 and 7, and to indicate the added space and location thereof, now annexed to Units 6 and 7, Building C,

NOW, THEREFORE, THE COUNCIL, ACTING THROUGH ITS BOARD:

1. Files herewith the amended plans of Units 6 and 7, Building C, certified as built by Al Matherly, a registered surveyor, as required under KRS 381.835(5), said plans being filed herewith to be recorded in Condominium Ownership Book \_\_\_\_\_, Pages \_\_\_\_\_ through \_\_\_\_\_, inclusive (Clerk's File No. \_\_\_\_\_) in the office of the aforesaid Clerk.

2. Files herewith and incorporates as a part hereof "Amended Exhibit A" which amended exhibit supersedes and constitutes full substitution of Amended Exhibit A, filed with the Fourth Amendment to the Master Deed and Declaration, referenced hereinabove, the Amended Exhibit A filed with this Fifth Amendment setting forth the square footage and the percentage of common interest of each unit of Zorn Place, as such is presently constituted.

IN TESTIMONY WHEREOF, witness the signature of the Council, acting through its Board of Administration, as evidenced by the signatures of the President and the Secretary/Treasurer of the Board of Administration on the date indicated but effective as of the 31st day of December, 1996.

COUNCIL OF CO-OWNERS OF ZORN PLACE

By Mike Olson  
President, Board of Administration

Date: \_\_\_\_\_

By And B. Weis  
Secretary/Treasurer, Board of Administration

Date: \_\_\_\_\_

COMMONWEALTH OF KENTUCKY )  
 ) ss.  
COUNTY OF JEFFERSON )

The foregoing instrument was acknowledged before me this 31st day of December, 1996, by Wm. Olson, President and Fred Weis, Secretary/Treasurer of the Board of Administration of the Council of Co-Owners of Zorn Place, a condominium regime.

Quentin J. Bluchwitz  
Notary Public

Commission expires: May 23, 1999

This instrument prepared by  
Joseph B. Helm  
Brown, Todd & Heyburn PLLC  
3200 Providian Center  
Louisville, KY 40202-3363

Joseph B. Helm

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AMENDED EXHIBIT A OF  
MASTER DEED AND DECLARATION OF  
CONDOMINIUM PROPERTY REGIME OF  
ZORN PLACE

Fifth Amendment

<u>Unit Designation</u>	<u>Square Footage (including garage space)</u>	<u>Percentage of Common Interest</u>
Building A, Unit 1	4,171	9.486
Building A, Unit 2	3,524	8.014
Building B, Unit 3	4,147	9.431
Building B, Unit 4	3,562	8.101
Building C, Unit 5	4,223	9.604
Building C, Unit 6	5,081	11.555
Building C, Unit 7	3,837	8.726
Building C, Unit 8	3,811	8.667
Building D, Unit 9	3,674	8.356
Building D, Unit 10	4,408	10.025
Building D, Unit 11	<u>3,533</u>	<u>8.035</u>
	46,971	100.000