

DECLARATION OF MASTER DEED
FOR
LAKES EDGE CONDOMINIUM HOMES

THIS DECLARATION OF MASTER DEED is made and entered into as of _____ ____, 2007, by L E DEVELOPMENT COMPANY, LLC, a Wisconsin limited liability company, 18650 West Corporate Drive, Suite 100, Brookfield, Wisconsin 53045, (hereinafter jointly referred to as “Developer”).

WITNESSETH:

That whereas, Developer is the owner in fee simple of a certain tract of land located in Lexington, Fayette County, Kentucky, more particularly described below; and

WHEREAS, Developer desires to develop said land into a residential condominium project with an overall plan consisting of at least 7 buildings, including at least 102 units; and;

WHEREAS, Developer desires to, and does hereby file its plans for said building and the Units as built, as shown on plans simultaneously recorded herewith together with any and all other structures and improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in anywise pertaining thereto, to submit to the provisions of the Kentucky Horizontal Property Law, KRS 381.805 to .910, as amended; and

WHEREAS, Developer desires to establish certain rights and easements in, over and upon said real estate for the benefit of itself and all future owners of any part of said real estate, and any Unit or Units thereof or therein contained to provide for the harmonious, beneficial and proper use and conduct of the property; and

WHEREAS, Developer desires and intends that the Unit owners, mortgagees, occupants and other persons hereafter acquiring any interest in the property shall at all times enjoy the benefits of and shall hold their interests subject to the rights, easements and privileges and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of condominium ownership of the property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the property.

NOW, THEREFORE, Developer declares as follows:

1. Legal Description of Land.

The real estate that is hereby submitted and subject to the provisions of the Condominium Property Law of Kentucky, as amended, is legally described as follows:

BEGINNING at a point in the center line of New Circle Road, said point being the intersection of the property line between Lillian Young and George Gawthrop and Savage Lumber Company; thence, in a Westerly direction along the property line of Lillian Young 280 feet + to a common corner of Lillian Young and Savage Lumber Company; thence, with the line of Savage Lumber Company and Lakeview Lake Association for twenty calls, S 04 Degrees 37' W 38.68 feet, N 71 Degrees 40' W. 29.50 feet, N 32 Degrees 10' W 79.62 feet, N. 57 Degrees 55' W 43.53 feet, S 62 Degrees 48' 43.75 feet, N 70 Degrees 16' W 33.35 feet, S 89 Degrees 54' W 57.87 feet, S 53 Degrees 23' W 28.78 feet, S 86 Degrees 30' W 172.15 feet, N 60 Degrees 03' W 58.65 feet, N 23 Degrees 32' W 54.46 feet, N 07 Degrees 34' E 174.50 feet, N 61 Degrees 39' E 80.67 feet, N 39 Degrees 30' E 42.72 feet, N 38 Degrees 42' W 94.65 feet, N 05 Degrees 52' W 38.10 feet, N 41 Degrees 32' E 46.63 feet, N 29 Degrees 06' W 92.60 feet, N 10 Degrees 14' W 35.85 feet, N 31 Degrees 20' E 49.38 feet, to a point, a new corner to Lexington Water Company, thence with a line of Lexington Water Company and Downing, S 83 Degrees 07' E 277.32 feet to a point, a new corner to Lillian Young; thence with Young' line S 15 Degrees 16' E

642.50 feet to the point of the beginning and containing 5.11 acre.

And being more accurately described as follows per survey of Rice-Ransdell, Inc. dated February 3, 1997.

BEGINNING at a pinched pipe (located), said point being the Southwest corner of Lot 2, Block "B" of Lake Pointe Subdivision as recorded in Plat Cabinet "F", Slide 27 in the Fayette County Clerk's Office; thence with said Lot 2, the west edge of Lake Park Road abutment (50' R/W) and Lot 3 of said subdivision, north 14 degrees 23 minutes 18 seconds west 642.43 feet to a ¾" iron pipe (located) and corner to Lot 3; thence with the line of Lot 3 and the Kentucky-American Water Company property north 82 degrees 54 minutes 38 seconds west 277.32 feet (passing a witness monument #3 rebar and cap set at 255.32 feet) to a point and corner to the Lakeview Estates Lake Association; thence with said Association for twenty calls, south 32 degrees 23 minutes 06 seconds west 42.83 feet to a point, south 09 degrees 10 minutes 54 seconds east 35.85 feet to a point, south 28 degrees 02 minutes 54 seconds east 92.60 feet to a point, south 42 degrees 35 minutes 06 seconds west 46.63 feet to a point, south 04 degrees 48 minutes 54 seconds east 38.10 feet to a point, south 37 degrees 38 minutes 54 seconds east 95.65 feet to a point, south 40 degrees 33 minutes 06 seconds west 42.72 feet to a point, south 62 degrees 42 minutes 06 seconds west 80.67 feet to a point, south 08 degrees 37 minutes 06 seconds west 174.50 feet to a point, south 22 degrees 28 minutes 54 seconds east 54.46 feet to a point, south 58 degrees 59 minutes 54 seconds 58.65 feet to a point, north 87 degrees 33 minutes 06 seconds east 172.15 feet to a point, north 54 degrees 26 minutes 06 seconds east 28.78 feet to a point, south 89 degrees 02 minutes 54 seconds east 57.87 feet to a point, south 69 degrees 12 minutes 54 seconds east 33.35 feet to a point, north 63 degrees 51 minutes 06 seconds east 43.75 feet to a point, south 56 degrees 51 minutes 54 seconds east 43.53 feet to a point, south 31 degrees 06 minutes 54 seconds east 79.62 feet to a point, south 70 degrees 36 minutes 54 seconds east 29.50 feet to a point, north 05 degrees 40 minutes 06 seconds east 38.68 feet to the point of beginning, containing 5.07 acres, 220,000 sq. ft. (said common points along the Lakeview Estates Lake Association are referenced by coordinates as shown on plat).

Being the same property conveyed to Developer by deed dated July 13, 2007, recorded at Deed Book 2743, Page 644 in the Office of the Fayette County Clerk.

Said real estate and all improvements thereon and appurtenances thereto shall be known as "LAKES EDGE CONDOMINIUM HOMES."

2. Definitions

(a) Except to the extent hereinafter modified or changed, the following words and terms, whenever used herein, shall have the following meaning:

"Board" refers to the Board of Directors of the Council.

"Council" or "Association" refers to Lakes Edge Condominium Association, Inc.

"Condominium regime" refers to Lakes Edge Condominium Homes.

(b) Except to the extent hereinafter modified or changed, the following words and terms, wherever used herein, shall have the same meaning as provided for such words and terms in the Kentucky Horizontal Law as amended:

"Unit", "Condominium", "Master Deed", "General Common Elements", "Common Expenses", "Persons", "Property" and "Limited Common Elements".

3. Description of Building.

The building is situated on the real estate and is shown in plans (the "Plans") filed _____, 2007, pursuant to KRS 381.835, which floor plans of the initial Units are of record in Condominium Plat Cabinet __, Slide __, in the Office of the Clerk of Fayette County, Kentucky. Said plans are incorporated by reference hereto and are hereto made a part of this Master Deed.

Additional Units may be created, added and subjected to this Condominium Regime by amendments to this Master Deed upon the filing of plans by the Developer or its successor. Said additional Units may be built by the Developer or its successor on areas which were initially designated as Common Areas or at other locations. The Developer specifically reserves the right, from time to time, within ten (10) years of the date of the recording of this Declaration of Master Deed (the "Declaration"), to amend this Declaration to the extent of adding additional buildings, Units and Common Elements. Once added by amendment, said additional units shall have the same rights and privileges as herein. In furtherance of the foregoing, an irrevocable power coupled with an interest is hereby granted and reserved unto the Developer, its successors and assigns, to shift and reallocate from time to time the percentage of ownership and the Common Elements appurtenant to each Unit to the percentage set forth in each amendment and to set forth the Percentage Interest of the Common Expenses allocated to each Unit. Each acceptance of a deed of conveyance, mortgage or other instrument with respect to a Unit and the acceptance thereof, shall be deemed a grant, and an acknowledgement of and conclusive evidence of the parties thereto, to the consent of such reservation of power to the Developer as attorney-in-fact and shall be deemed to reserve to Developer, its successors and assigns, the power to shift and reallocate, from time to time, the percentage of ownership in the Common Elements appurtenant to each Unit and the Percentage Interest allocated to each Unit, as set forth in each such recorded amendment. Further, the Developer specifically reserves unto itself, its successors and assigns, to determine the location of all future Units and buildings on areas already included or not yet included as Common Elements. Individual Unit owners shall not be included within the meaning of "successors and assigns" as used in this paragraph.

4. Buildings and Units.

(a) The Unit number of each of the Units created are fully set forth in said Plans.

(b) The legal description of each Unit shall consist of its number as aforesaid followed by the words, “a condominium Unit in Lakes Edge Condominium Homes. Each Unit shall consist of the space enclosed and bounded by the horizontal plans of the undecorated interior finished surfaces of the ceiling, floor and perimeter walls of each Unit as are shown on said plans attached hereto, and shall include the right to use any Limited Common Elements necessary to the use of or access to the Unit (subject to any exclusive rights assigned to one or more Units).

(c) No Unit may by Deed, Plat, Court Decree or otherwise be subdivided or in any manner separated into tracts or parcels smaller than the whole Unit as shown on the floor plans unless provided for by statute or unless agreed to by the owners of Units holding a majority of the percentage interests in the Common Elements.

5. Description of Common Elements

(a) The general Common Elements shall consist of that property as set forth on plans recorded herewith, excepting the individual Units and fixtures therein and excepting any portion of the property or appurtenances thereto described as Limited Common Elements, and shall include but not be limited to the land as set forth in attached plans and designated as common area and improvements, and fixtures attached thereto, Condominium signs with name of project, entrances and exits, roofs, parking lots, garbage and refuse areas, swimming pool, boat dock, patios, clubhouse, entry features, storm water detention basin, public utility lines, mail box area, landings, entry alcoves, perimeter walls of the Units, structural parts of the building,

and all other portions of the property, all exterior surfaces of the building including the windows. Structural columns and load bearing walls located within the boundary of the Unit shall be a part of the general Common Elements. Common elements shall include tangible personal property used for the maintenance and operation of the Condominium regime even though owned by the Council hereinafter described. All areas designated as general and Common Elements are to be maintained by the Council.

6. Limited Common Elements and Individual Responsibility of Unit Owners

There shall be no “limited common elements” which are the responsibility of more than one unit. The owner of each individual unit shall be responsible for the following: (a) interior undecorated surfaces of each unit(s) perimeter and interior walls, ceilings and floors; (b) entrances and exits to the specific units; (c) utility service facilities within or exclusively serving a unit, including, but not limited to heating, ventilation and air-conditioning, natural gas, electricity, water heaters and all appliances, cable television and telephone; (d) doors, screens, windows and window frames; (e) all other responsibilities which have not been specifically assigned to the Association or designated as common elements.

7. Square Footage and Percentage Interest

(a) Unless otherwise provided herein, the percentage of the undivided interest (the “Percentage Interest”) in the Common Elements pertaining to each Unit and its owner for all purposes is as set forth in Exhibit A attached as part of this Master Deed, as may be amended from time to time as contemplated by this Master Deed.

(b) Each Unit owner shall own the Percentage Interest set forth in Exhibit A in the Common Elements as a tenant in common with all the other Unit owners, and, except as otherwise limited in this Master Deed, shall have the right to use and occupy the Common

Elements for all purposes incident to the use of a Unit and for such other incidental uses permitted by this Master Deed, which right shall be appurtenant to each Unit. Notwithstanding the Unit owners' joint title to the Common Elements, no Unit owner shall use any Common Element in any manner calculated to disturb or annoy any other owner in the peaceable possession and enjoyment of a Unit.

(c) The term "Unit" as used herein and throughout this Master Deed shall mean a "Unit" as defined in KRS 381.810 (1), together with the Percentage Interest in the Common Elements allocated to such Unit. Any conveyance of an individual Unit shall be deemed also to convey the Percentage Interest of the owner in the Common Elements, both General and Limited, appertaining to said Unit, without specifically or particularly referring to same. Such interest shall remain undivided and shall not be the subject of an action for partition or division of the co-ownership.

8. Common Expenses.

"Common Expenses" of the Condominium project means all charges, costs and expenses incurred by the Council, the Board, and/or the managing agent, for and in connection with the operation and administration of the Condominium regime. Common Expenses include (a) those expenses for the building, equipment and ground maintenance and repair; (b) costs of maintenance of common elements, and snow removal; (c) cost of water service to the Units; (d) all costs for utility services to the Common Elements; (e) insurance premiums, janitorial service (if any provided to the Common Elements), garbage removal (if provided by the Council and not local government or Unit owners individually), painting of the Common Elements, asphalt and concrete repair and replacement, costs of Condominium regime materials, supplies, equipment and tools; (f) all costs for management, legal, accounting and engineering; (g) all costs for

service fees, repair and replacement of Common Element utility lines and equipment; (h) all expenses for the repayment of any loans obtained to pay for Common Expenses and to establish reserves to be maintained to cover future replacement costs and contingencies, and (i) all assessments (general, special or of whatever nature), assessed by the Lakeview Estates Lake Association, Inc. or any related or successor entity, for maintaining the adjacent lake.

9. Assessments.

The making and collection of assessments against Unit owners for Common Expenses shall be pursuant to the By-Laws and subject to the following provisions:

9.1 Liability of Unit Owners for Share of Common Expenses. Each Unit owner shall be personally liable for a proportionate share of the Common Expenses and shall share in the common surplus, each share being the same as the Percentage Interest attributable to each Unit. No Unit owner shall be exempt from contributing toward such Common Expenses by waiver of the use or enjoyment of the Common Elements or by abandonment of his Unit; provided, however, the Council may, but is not required to, abate or reduce a Unit owner's contribution toward the Common Expenses for a reasonable period of time during which his Unit is uninhabitable as the result of damage or destruction. These "Common Expenses" are defined to include all costs of administration of the Condominium Project and of maintenance, repairs, and replacements of and reserves for the General Common Elements, and of ad valorem property taxes on and with respect to the General Common Elements and of premiums for all types of insurance maintained by the Council and repair and maintenance expenses hereunder and all other expenses assessed by the Council pursuant to the By-Laws. In addition, "Common Expenses" shall include all costs for utility services to the Common Elements, janitorial services to the Common Elements, garbage removal (if provided by the Council and not Unit owners individually or local government),

painting of the Common Elements, asphalt and concrete repair and replacements, costs of Condominium regime supplies, materials, equipment and tools, all costs for management, legal accounting and engineering; all costs for service fees, repair and replacement of Common Element utility lines and equipment; and all expenses for the repayment of any loans obtained to pay for Common Expenses and to establish reserves to be maintained to cover future replacement costs and contingencies. The Common Expenses shall be due and payable by each Unit Owner as provided in the By-Laws.

9.2 Interest on Unpaid Assessments; Application of Payments. Assessments of Common Expenses and installments on such assessments paid on or before ten (10) days after the day when due shall not bear interest, but all such sums not paid on or before ten (10) days after the date when due, including any sums due as a result of acceleration of unpaid assessments as provided in the By-Laws, shall bear annual interest at the then existing legal rate of interest for judgments in the Commonwealth of Kentucky from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment most recently due.

9.3 Lien for Assessments. Any unpaid Common Expenses or Limited Common Expenses assessed to a Unit owner shall constitute a lien against the Unit of such owner and against such Unit owner's Percentage of Ownership in the Condominium Project as provided in the Condominium Act. In addition to any other remedies or liens provided by law, if any Unit owner is in default in the payment of any Common Expenses assessed to him for a period of thirty (30) days, including any sums due as a result of acceleration of unpaid assessments as provided in the By-Laws, the Council may file a notice of said lien and amount due in the Office of the Fayette County Clerk, and/or the Council may bring suit for and on behalf of itself and as representative of all Unit owners to enforce collection of the assessment and/or to foreclose the aforesaid lien as in the case of

a mortgage in the Commonwealth of Kentucky. The lien for unpaid assessments shall also secure interest on such assessments at the legal rate for judgments in the Commonwealth of Kentucky and reasonable attorneys' fees and court costs incurred by the Council incident to the collection of such assessment or enforcement of such lien.

9.4 Transfer of Units Subject to Unpaid Assessments. A Unit owner shall not be liable for any Common Expenses accruing after the sale of his Unit and the recording of the instrument of conveyance to the purchaser. The purchaser of a Unit subject to any lien for Common Expenses arising under this Master Deed prior to the date of his purchase and the recording of his deed shall take title to the Unit subject to the lien; provided, however, that any such purchaser may request a written statement from the Board of Directors of the Council as to whether a lien exists against such Unit and such written statement shall be conclusive as to the facts stated therein as against the Council and may be relied on by the purchaser and the mortgagee or assignee of a mortgage upon that Unit (but shall not be as against the transferor of the Unit who shall be liable for the full amount of Common Expenses lawfully assessed against his Unit regardless of the amount specified in such statement).

9.5 Assessment Liens Subordinate to First Mortgage Lien. The lien for assessments as set forth herein shall be subordinate to the lien of any first mortgage on a unit.

9.6 Rental Payments Pending Foreclosure. In any foreclosure of a lien for assessments of Common Expenses, the owner of the Unit subject to the lien shall be required to pay a reasonable rental for the Unit during and pending the foreclosure, and the Council shall be entitled to the appointment of a receiver to collect the same, without consideration being given to the value of the Unit as security for such unpaid assessments.

9.7 Liability of Developer for Assessments. Notwithstanding anything else to the contrary herein contained, the Developer and its mortgagee shall not be liable for any assessment against unsold units, provided that the Developer pays any deficiency in the funding of the Common Expenses.

9.8 Special Assessments. The Council may make special assessments, over and above regular assessments, for any matter for which it has authority to make assessments. The Council shall set forth due dates for any such special assessment.

10. Administration of the Condominium Regime.

(a) Developer has or will cause the formation of a Kentucky not-for-profit corporation known as “Lakes Edge Condominium Association, Inc.”, to act as the Council of Co-Owners as defined in KRS 381.810(5) and governing body for all Unit owners in administration and operation of the Condominium regime and property. Each Unit owner or owners shall be a member of such corporation, which membership shall terminate upon the sale or other disposition of such member of his or her Unit, at which time the new Unit owner or owners shall automatically become a member therein.

(b) Administration of the project shall be conducted by the Council and its Board in accordance with its Bylaws. 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.

11. Purpose.

The building and the Units therein are intended for and restricted exclusively for residential purposes. Additional provisions with respect to the use and occupancy of the Units and common areas and facilities are contained in Section 15 hereof.

12. Damage or Destruction.

The Council, acting by and through its Board, shall acquire replacement value insurance protection for the Condominium regime, including but not exclusively, casualty, liability and employee worker's compensation insurance, if needed, without prejudice to the right of co-owners to insure their Units on their own account and for their own benefit. The premiums on such insurance shall be considered Common Expenses, enforceable under lien rights. Should the amount of any insurance premium be affected by a particular use of a Unit or Units, the owners of such Units shall be required to pay any increase in premium resulting from such use.

Each Unit owner is advised to consult with his own insurance agent in order to obtain adequate coverage at his own expense for his own personal property, personal liability and other risks, and any improvements and betterments he may make to his own Unit. However, if as a result of any Unit owner carrying his own individual casualty or other insurance, there is a diminution or reduction in the amount of the recovery by the Council under any insurance it maintains, then the Unit owner, from the recovery under his individual insurance policies, shall promptly pay to the Council the amount of such diminution or reduction in recovery by the Council under its insurance policies, even if such diminution or reduction is as a result of an "other insurance," "coordination of benefits" or other clause or provision contained in the insurance policies maintained by the Council.

In case of fire or other destruction or damage and the Condominium regime's insurance is not sufficient to cover the cost of reconstruction and repairs, the cost (or added cost) shall be paid by the co-owners as a common expense, and the Council by a majority vote will be authorized to borrow funds therefor and to amortize the repayment of same over a period of time not exceeding the reasonable life of the reconstruction and repairs.

In the event of fire or damage, reconstruction and repairs of the building shall be mandatory regardless of the nature and extent of the damage. Reconstruction and repairs shall be made to follow and conform as closely as possible to the original basic architectural design of Lakes Edge Condominium Homes, and any mortgage existing prior to the damage to the property shall attach and be continuing as a lien on the reconstructed property. All insurance proceeds resulting from said damage or destruction payable to Unit owners and first mortgagees (as their interests may appear) shall be deemed assigned to the Board (representing the Council), which shall immediately deposit all proceeds in a trust account with an insured financial institution selected by the Board. Said trust account shall be entitled "Lakes Edge Condominium Homes Account for Repairs and Reconstruction", or similar words. The Board, with qualified supervision, shall oversee all repairs and all reconstruction. Disbursements shall be made from said trust account as repairs and reconstruction are made only with the approval of three fourths of the Board and using standard construction disbursement procedures.

13. Easements and Encroachments.

(a) Easements are hereby declared reserved and granted for utility purposes, including but not limited to the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, cable TV lines and equipment, and electrical conduits and wires and equipment over, under, along and on any part of the Common Elements as they exist on the date of the recording hereof; and as set forth on the plat recorded at Plat Cabinet ____, Slide ____ in the Office of the Fayette County Clerk; and a permanent power of attorney is hereby granted to the Board to grant any such easement.

(b) In the event that, by reason of the construction, reconstruction, settlement, or shifting of the building or the design or construction, any part of any Unit or any part of the

Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches on any part of the Common Elements, valid easements of maintenance of such encroachments are hereby established and shall exist for the benefit of such Unit and the Common Elements as the case may be, so long as all or any part of the building containing such Unit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of the owner of any Unit or in favor of the owners of the Common Elements if such encroachments occurred due to the willful conduct of said owner or owners. In addition to the foregoing, it is expressly understood that an easement for support is included in this section of the Master Deed.

(c) All easements and rights described herein are easements appurtenant, running with the land, and shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any owner, purchaser, mortgagee, and other person having any interest in said land, or any part of portion thereof.

(d) The respective deed of conveyance, or any mortgage or trust deed or other evidence of obligation shall be subject to the easements and rights described in this Master Deed, and reference to this Master Deed shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such parcels as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

14. Bylaws and Developer Control Period.

The Bylaws for Lakes Edge Condominium Association, Inc. shall be adopted and exercised initially by the Developer in order to develop it into a condominium project and to assure the placing of the Council on a sound basis for the protection of all owners of the

Condominium regime. Subsequently, the administration of the Condominium regime shall be governed by these bylaws, and they may be amended from time to time by amendment procedure hereinafter set forth.

The above paragraph and anything to the contrary notwithstanding, the administration and control of the Condominium regime and the property, including but not limited to the amendment of this Declaration of Master Deed, the adoption and amendment of the bylaws, adoption of Condominium regime rules, assessment of Common Expenses and all other rights relating to the governing, managing and administration of the Condominium regime and the property and all rights and powers which would otherwise be vested in the Council or Board shall all be vested in the Developer alone until the earlier of (a) when Developer so elects by notice to owners of Units or (b) July 1, 2012. Until that time, the Developer shall possess the irrevocable proxy of the Unit owners, which proxy each Unit owner automatically gives the Developer upon the acceptance of a deed to a Unit and all Unit owners agreeing to such administration by the Developer in accepting Unit conveyances.

15. Use and Occupancy of Units and Common Areas and Facilities; Restrictions.

The Units and Common Elements shall be occupied and used as follows:

(a) No part of the property shall be used for any purpose other than residential, along with accessory and conditional uses allowed for under the provisions of Lexington's Zoning Ordinance. No conditional use, however, shall be engaged in or applied for without express written approval of the Council, which shall be in the discretion of the Council.

(b) No "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the property except as such location and in such form as shall be determined by the Developer and/or the Board. In any case, no person other than Developer may

display a “For Rent” sign for three years from the date of this Declaration of Master Deed. “For Sale” signs shall be limited to one sign per unit, and the maximum size shall be 18 inches by 24 inches.

(c) There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior consent of the Board except as herein expressly provided. Each Unit owner shall be obligated to maintain and keep his or her own Unit, including the exterior of doors in good, clean order and repair.

(d) No Unit owner shall permit anything to be done or kept in his or her or its Unit, or in Common Elements or Limited Common Elements which will result in the cancellation of insurance on the building or contents thereof, or which would be in violation of any law. No waste shall be committed in the Common Elements or Limited Common Elements.

(e) Unit owners shall not cause or permit anything to be hung or displayed on the outside of the windows or placed on the outside walls of the building, and no sign or signs, lettering, awning, canopy, shutter, radio or television antenna or satellite dishes or antennas shall be affixed to or placed upon the exterior walls, doors, windows, or roof of any part thereof, without the prior written consent of the Developer and/or Board. Venetian blinds or draperies (which are visible from the outside) shall be an “off-white” color or shall be approved by the Developer and/or the Board. Reasonable decorations for holidays, including Halloween, Thanksgiving and Christmas shall be allowed, subject to rules of the Council.

(f) No noxious or offensive activity shall be carried on in any Unit or on the property, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit owners or occupants, or constitute waste at common law.

(g) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the building or which would structurally change the building, except as otherwise provided herein.

(h) No personal property or other articles shall be left out or exposed on any part of the Common Elements. The Common Elements and the Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(i) Nothing shall be altered on, constructed in, or removed from the Common Elements or Limited Common Elements, except upon the written consent of the Developer and/or the Board.

(j) Locks on all entrance doors to each Unit shall not be changed (or locks added to) without first obtaining permission from Developer or the Board.

(k) No trailer, motorcycle, any recreational vehicle or any truck larger than a pick-up truck shall be kept or parked on the premises at any time except with the express consent of the Board. Only boats approved by the board may be kept on the premises or at the boat dock.

(l) Alteration and Improvement. No Unit owner shall make any alterations to a Unit (other than interior painting and decorating), or remove any portion thereof, or make any additions thereto, or do anything which would jeopardize the safety or soundness of the Building, or impair any easement, without first obtaining the written approval of the Board of Directors of the Council. A copy of plans for all of such work prepared, at the Unit owner's expense, by an architect licensed to practice in the Commonwealth of Kentucky shall be filed with the Council prior to the commencement of such work.

(m) Notwithstanding anything contained herein, a Unit owner shall be liable for the entire expense of any maintenance, repair or replacement of any part of the Condominium

Project, whether part of a Unit or part of the General or Limited Common Elements, if such maintenance, repair or replacement is the result of any willful or negligent act or omission of the Unit owner, its guests, invitees, employees, agents or lessees. If any Unit owner fails to undertake any such maintenance, repair or replacement within ten (10) days after the Board of Directors notifies the Unit owner in writing that the Board of Directors has determined that such maintenance, repair or replacement is the responsibility of such Unit owner under this Section, the Board of Directors may undertake such maintenance, repair or replacement, and the cost thereof shall be a lien on the Unit of such Unit owner until paid by the Unit owner, and such lien may be enforced by remedies provided herein.

(n) No exterior color, including, but not limited to doors, trim, window sashes and other features, may be changed without prior written approval of the Council. No alterations to the plantings or landscape features may be made without prior written permission of the Council.

(o) Each Unit owner shall be entitled to use of the associated patio area, adjacent to his or her Unit. Privacy fences may be maintained on either side of the patio, but each patio shall remain open in the rear to the Common Area. Each Unit owner may utilize the patio area only for outdoor furniture, grilling equipment, and potted flowers. Any other item shall be subject to prior approval of the Council.

(p) The Council shall maintain and promulgate reasonable rules and regulations for use of any gazebos and common cookout or grilling areas.

(q) Water service is provided to each Unit by a common meter. The Council shall be responsible for payment for water, and a proportional charge for water shall be included in association fees. The Council may cut off water service to any Unit whose owner is more than thirty (30) days delinquent in payment of association fees or assessments. Cutting off of water shall

not prevent the Council from utilizing any other remedy as set forth in this Master Deed, the Bylaws, or any rules and regulations.

(r) Only small pets shall be allowed including cats, smaller dogs, and birds, all of which shall comply with the rules and regulations.

(s) Other rules and regulations may be made by the Developer and/or the Board.

16. Remedies Upon Default

16.1 Remedies Available to Council. Each Unit owner shall be governed by and shall comply with the terms of this Master Deed and the By-Laws and the rules and regulations adopted by the Board of Directors pursuant to those documents, and all of such as they may be amended from time to time. Failure of a Unit owner to comply with the provisions of such documents and rules and regulations shall entitle the Council to all the following remedies for such violation or breach in addition to the remedies provided by the Condominium Act and the By-Laws and rules and regulations of the Council:

(a) The right to suspend or limit the right of any Unit owner, his guests, lessees, employees or agents, to use any part of the General Common Elements for any period of time.

(b) The right to enter any Unit or any portion of the Condominium Project upon which, or as to which, such violation or breach exists, and to abate and remove, at the expense of the defaulting Unit owner, any structure or thing or condition that may exist in violation of the aforesaid documents; and the Council, and its employees and agents, shall not thereby be deemed guilty of trespass.

(c) The right to enjoin, abate or remedy by appropriate legal proceedings, at law or equity, the continuance of any such violation or breach; and the right, if any Unit owner or any occupation of his Unit shall continue to be in violation of the aforesaid documents and rules and regulations for twenty (20) days after notice in writing from the Council, to issue to the defaulting Unit owner a ten (10) day notice in writing to terminate the rights of said Unit owner to continue as a Unit owner and to continue to occupy, use or control his Unit and to file a suit in equity against the defaulting Unit owner for a mandatory injunction against the Unit owner or occupants or, in the alternative, a decree declaring the termination of the defaulting Unit owner's right to occupy, use or control his Unit and ordering that the Unit shall be sold at a judicial sale upon such notice and terms of the court shall establish, except that the defaulting Unit owner shall not be entitled to reacquire the Unit at such sale or by virtue of right of redemption.

16.2 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit owner of the Council to comply with the terms of this Master Deed, the By-Laws or the rules and regulations adopted by the Board of Directors pursuant to them, and the documents and rules and regulations as they may be amended from time to time, the Council shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

16.3 No Waiver of Rights. The failure of the Council or any Unit owner to enforce any covenant, restriction or other provision of the Condominium Act, this Master Deed, the By-Laws or the rules and regulations shall not constitute a waiver of the right to do so thereafter.

17. Entry by Council.

The Council or its agents or employees may enter any Unit when necessary in connection with any painting, maintenance or reconstruction for which the Council is

responsible, or which the Council has the right or duty to do. Such entry shall be at reasonable hours and with prior notice and shall be made with as little inconvenience to the Unit's owners as practicable, and any damage caused thereby shall be repaired by the Council at the expense of the maintenance fund. In cases of emergency, entry may be made without notice.

18. Grantees.

Each grantee of Developer by the acceptance of a deed of conveyance accepts the same subject to all easements, restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Master Deed, and the provisions of the Horizontal Property Law, as at any time amended, and all easements, rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants estate in any Unit, and shall inure to the benefit of the such owner in like manner as though the provisions of this Master Deed were recited and stipulated at length in each and every deed of conveyances.

19. Parking.

Parking shall be as regulated by the Association. The Council may, by Bylaw or Rule or Regulation, change the rules for parking allocation, or may increase or decrease parking.

20. Failure to Enforce.

No terms, obligations, covenants, conditions, restrictions or provisions imposed hereby or contained herein shall be abrogated or waived by any failure to enforce the same, no matter how many violations or breaches may occur.

21. Notices.

Notices required or permitted to be given to the Council, the Board or any Unit owner may be delivered to any officer of the Council, member of the Board or such Unit owner at his or her Unit or as set forth in the Bylaws.

22. Amendments.

(a) If before all of the Units have been sold, conveyed and recorded, it is found that an error exists on the part of the draftsman of this instrument or on the part of the surveyor, architect or engineer, an amendment setting forth the error and correction may be filed by the Developer without the consent of any other party thereto, and shall become a part of this Master Deed. No further change shall be made except by amendment procedures immediately following.

(b) This Master Deed, the Bylaws and Rules and Regulations may be amended by the Developer without consent of any other party during the Developer Control Period.

(c) The provisions of this Master Deed may be amended, changed or modified by an instrument in writing setting forth such amendment, change or modification signed and acknowledged by owners of a majority of the percentage interest. The bylaws, unless otherwise provided, shall be amended, changed or modified only by an instrument in writing, setting forth such amendment change or modification signed and acknowledged by owners of a majority of the percentage interest.

(d) Any amendment, change or modification to this Master Deed shall conform to the provisions of the Horizontal Property Law and shall be effective upon recordation thereof. Bylaws and any amendments thereto need not be recorded.

23. Severability.

The invalidity of any restriction hereby imposed, or any provision hereof, or of any part of such restriction or provision, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Master Deed, and all of the terms hereof are hereby declared to be severable.

24. Construction.

The provisions of this Master Deed shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a residential condominium project.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be signed by the Developer.

L E DEVELOPMENT COMPANY LLC,
a Wisconsin limited liability company

By: _____
Robert F. Rice, President

COMMONWEALTH OF KENTUCKY

COUNTY OF FAYETTE

The foregoing instrument was acknowledged before me this ____ day of _____, 2007 by Robert F. Rice, as President of L E DEVELOPMENT COMPANY LLC, a Wisconsin limited liability company, for and on behalf of said limited liability company.

My Commission Expires: _____

NOTARY PUBLIC, STATE AT LARGE,
KENTUCKY

THIS INSTRUMENT WAS
PREPARED BY:

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