

**AMENDMENTS TO DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS OF  
SPRINGHURST SUBDIVISION, PHASE 19, VILLAGE  
OF WHITE BLOSSOM, DATED MAY 27, 1998,  
OF RECORD IN DEED BOOK 7058, PAGE 0290, IN THE OFFICE OF THE  
CLERK OF JEFFERSON COUNTY, KENTUCKY ("DECLARATIONS")**

THESE AMENDMENTS TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SPRINGHURST SUBDIVISION, PHASE 19, VILLAGE OF WHITE BLOSSOM, are made on May 17, 2001, by Z HOMES KENTUCKY LLC, a Kentucky limited liability company, formerly known as ZARING HOMES KENTUCKY LLC, c/o First Cincinnati, Inc., 11300 Cornell Park Drive, Suite 300, Cincinnati, Ohio 45242 ("Developer").

**RECITALS**

A. Developer on September 17, 1996, acquired all right, title and interest of HFH, Inc. (successor-in-interest to STM/Springhurst, Inc.) as "Developer" of Springhurst Subdivision, free and clear of any and all claims and liabilities, by virtue of that certain Order issued by the United States Bankruptcy Court for the Western District of Kentucky in that certain matter entitled "In re: HFH, Inc., Debtor" bearing Case No. 96-30048 ("Order"), and by virtue of those certain Assignments from HFH, Inc., and HFH/Springhurst, Inc., dated September 17, 1996 (hereinafter collectively, the "Assignment").

B. The Order and Assignment also assigned and conveyed to Developer, free and clear of any and all claims and liabilities, the Class B membership of Springhurst Community Association, Inc., a Kentucky nonprofit corporation ("Community Association"), and further conveyed to Developer, free and clear of any and all claims and liabilities, the rights and interests of the Class B member of the Community Association as the "Developer" of Springhurst Subdivision.

C. Developer is the owner of certain platted lots and unplatted lands within the Springhurst Subdivision.

D. Pursuant to the Articles of Incorporation of the Community Association, recorded in Corporation Book 416, Page 659, in the Office of the Clerk of Jefferson County, Kentucky, and under the Declarations, Article IV, Section 14, the Developer as Class B member is the only member of the Community Association entitled to vote.

E. Pursuant to Article V, Section 3, of the Declarations, Developer has the authority to amend the Declarations.

**NOW, THEREFORE,** Developer hereby amends the Declarations as follows:

1. Article II is hereby amended as follows:

A. Section 3(b) of Article II is hereby amended by deleting Section 3(b) and inserting a new Section 3(b) reading in its entirety as follows:

(b) No Lot owner shall at any time construct any outbuildings, sheds, barns, tents or shacks upon any of their property subject to this Declaration.

B. Section 3(d) of Article II is hereby amended by adding the following to the end of that Section:

For purposes of this Section, what constitutes "continuously or habitually" shall be determined by the Board. The Board, however, shall be empowered to grant a waiver of, or variance from, its determination of what constitutes continuously or habitually based upon specific facts and circumstances presented to it in writing.

C. Section 5(b) of Article II is hereby amended by deleting Section 5(b) and inserting a new Section 5(b) reading in its entirety as follows:

No wall, hedge or fence of any kind or nature shall be placed or planted on any Lot unless its design and placement are first approved in writing by the Board. In no event will the Board approve the construction of any fence which is either [i] more than six (6) feet in height or [ii] which is not constructed of wood, masonry or possibly wrought iron, and landscaped. Chain link fences will not be approved except as provided in Section 5(c) below.

2. Article III is hereby amended as follows:

A. By adding a new Section 4(d) reading in its entirety as follows:

(d) The color of any paint or stain to be applied to exterior surfaces, other than a later reapplication, shall be approved in writing by the Board.

B. By adding a new Section 4(e) reading in its entirety as follows:

(e) The driveway of each Lot shall hereafter be constructed of exposed aggregate concrete. Nothing, however, in this Section shall prohibit a Lot owner from repairing a non-conforming driveway in accordance with the rules and regulations established by the Board.

3. Article IV is hereby amended by adding a new Section 18 is reading in its entirety as follows:

Section 18. Rules. Each Lot owner agrees to be bound by, and abide with, all rules and regulations of the Community Association as they may presently exist or hereinafter be adopted by the Board.

IN WITNESS WHEREOF, the Developer has executed these Amendments on this the 17<sup>th</sup> day of May, 2001.

**DEVELOPER**

**Z HOMES KENTUCKY LLC**, a Kentucky limited liability company, formerly known as Zaring Homes Kentucky LLC

By: **Z HOLDINGS, INC.**, an Ohio corporation, formerly known as Zaring Holdings, Inc., its Manager

By: 

Name: Michael D. Scovittas

Title: PRESIDENT

COMMONWEALTH OF KENTUCKY )

*State of Ohio*  
COUNTY OF ~~JEFFERSON~~ )

SS

*Hami Hon*

The foregoing instrument was subscribed and sworn to before me this 17 day of May, 2001, by Michael D. Sonntag as President of Z Holdings, Inc., an Ohio corporation, the Manager of Z Homes Kentucky LLC, a Kentucky limited liability company, formerly known as Zaring Homes Kentucky LLC, on behalf of the corporation.

My commission expires:

*Jennifer L. Bruggeman*  
Notary Public

[SEAL]



JENNIFER L. BRUGGEMAN  
Notary Public, State of Ohio  
My Commission Expires July 1, 2003

THIS INSTRUMENT PREPARED BY:

*Michael B. Vincenti*

Michael B. Vincenti, Esq.  
Wyatt, Tarrant & Combs, LLP  
2700 PNC Plaza  
Louisville, Kentucky 40202  
502.589.5235

10148608.1

Document No.: DN2001080152  
Lodged By: vincenti  
Recorded #: 05/21/2001 02:03:26  
Total Fees: 14.00  
Transfer Tax: .00  
County Clerk: Bobbie Holsclaw-JEFF C# KY  
Deputy Clerk: Y0LL062

END OF DOCUMENT

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

SPRINGHURST SUBDIVISION, PHASE 19  
VILLAGE OF WHITE BLOSSOM

JEFFERSON COUNTY, KENTUCKY

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SPRINGHURST SUBDIVISION, PHASE 19, VILLAGE OF WHITE BLOSSOM is made on May 27, 1998, by ZARING HOMES KENTUCKY LLC, 303 N. Hurstbourne Parkway, Suite 100, Louisville, Kentucky 40222 ("Developer").

WHEREAS, Developer is the owner of certain real property in Jefferson County, Kentucky, which is to be developed as a part of the residential subdivision commonly known as Springhurst Subdivision;

NOW, THEREFORE, Developer hereby declares that all of the property described in this instrument, and such additions as may be made pursuant to Article I, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of the real property. The easements, restrictions, covenants and conditions shall run with the real property and be binding on all parties having any right, title or interest in it, their heirs, successors and assigns, and shall inure to the benefit of each owner.

ARTICLE I -- PROPERTY SUBJECT TO THIS  
DECLARATION; ADDITIONS

BEING Lots 556 through 570 and Lots 572 through 592 inclusive as shown on the plat of Springhurst Subdivision, Phase 19 of record in Plat and Subdivision Book 44, Page 41, in the office of the Clerk of Jefferson County, Kentucky.

BEING part of the same property acquired by Developer by Deed dated September 18, 1996, of record in Deed Book 6789, Page 340 in the office of the Clerk of Jefferson County, Kentucky.

Section 2. Additions to Existing Property. Additional lands may become subject to this Declaration in any of the following manners:

(a) Additions in Accordance with a General Plan of Development. Developer intends to make this section containing 36 lots a part of a larger community to be developed substantially in accordance with current plans and known as Springhurst. Additional land may (but is not required to) be included by Developer as other sections of Springhurst within 20 years from January 1, 1990, and may include multi-family and retail commercial developments and

certain common properties. Developer reserves the right to create cross easements and to restrict all the properties according to the terms of this Declaration. The common areas initially covered by this Declaration shall inure to the benefit of the owners of any new lots which may become subjected to this Declaration and the common areas allocable to the owners of any new lots shall inure to the benefit of the owners of lots recorded earlier, each to enjoy the common areas of the other and to have and to hold the same as if each new lot had been developed and subjected to this Declaration simultaneously.

All additions shall be made by filing with the Office of the Clerk of Jefferson County, Kentucky, a Declaration of Covenants, Conditions and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property. The Declaration may contain additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration.

(b) Other Additions. Additional residential property and common areas which are not presently a part of the general plan of development may (but is not required to) be annexed to Springhurst by Developer.

## ARTICLE II -- USE RESTRICTIONS

Section 1. Primary Use Restrictions. No Lot shall be used except for private single-family residential purposes. No structure shall be erected, placed or altered or permitted to remain on any Lot except one single family dwelling designed for the occupancy of one family (including any domestic servants living on the premises), and containing a garage for the sole use of the owner and occupants of the Lot.

For purposes of this Declaration, there shall be specifically excluded from the meaning of the phrase "private single-family residential purposes", and shall not be permitted on any Lot within Springhurst, Phase 19, Village of White Blossom, regardless of whether any of the same would otherwise be permitted by any applicable zoning regulations or other governmental laws, rules or regulations, any uses which constitute or relate to (a) boarding houses, (b) lodging houses, (c) fraternities or sororities, (d) clubs, (e) hotels, (f) residences or homes for social rehabilitation, (g) nursing homes, (h) residences or homes for the aged or infirmed, (i) programs with respect to which admission to residency in or occupancy of the premises is limited to or intended in whole or in part for persons in the custody of the criminal justice system or the juvenile justice system and/or persons engaged in the care, custody, nurturance or supervision of such persons, (j) any Exceptional Residential Use (as presently defined in Article 2 of the Regulations of the Louisville and Jefferson County Planning Commission), and (k) any "group home" or other similar use as determined by Developer and/or the Board of Directors of Springhurst Community Association, Inc. ("Board").

Section 2. Nuisances. No noxious or offensive trade or activity shall be conducted on any Lot, nor shall anything be done which may be or become an annoyance or nuisance to the neighborhood.

Section 3. Use of Other Structures and Vehicles.

(a) No structure of a temporary character shall be permitted on any Lot except temporary tool sheds or field offices used by Developer, which shall be removed when construction is completed, provided however, that nothing herein contained shall prevent any Lot Owner from constructing, erecting or maintaining any recreational structure (such as a gazebo, small playhouse, swing set, jungle gym or the like) on any Lot provided that the plans for such shall have been approved in writing by the Community Association prior to the construction of any such recreational structure.

(b) No outbuilding, trailer, basement, tent, shack, garage, barn or structure other than the main residence erected on a Lot shall at any time be used as a residence, temporarily or permanently.

(c) No trailer, truck, motorcycle, commercial vehicle, camper trailer, camping vehicle or boat shall be parked or kept on any Lot at any time unless housed in a garage or basement. No automobile which is inoperable shall be habitually or repeatedly parked or kept on any Lot (except in the garage) or on any street in the subdivision. No trailer, boat, truck or other vehicle, except an automobile, shall be parked on any street in the subdivision for a period in excess of twenty-four hours in any one calendar year.

(d) No automobile shall be continuously or habitually parked on any street or public right-of-way in the subdivision.

Section 4. Animals. No animals, including reptiles, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets (meaning the domestic pets traditionally recognized as household pets in this geographic area) may be kept, provided they are not kept, bred or maintained for any commercial or breeding purposes.

Section 5. Clothes Lines; Fences and Walls; Hedges; Tennis Courts; Swimming Pools; Antennae and Receivers/Transmitters; Yard Ornaments.

(a) No outside clothes lines shall be erected or placed on any Lot.

(b) No wall, hedge or fence shall be placed or planted on any Lot unless its design and placement of planting are approved in writing by the Community Association. Fencing for children, small pets, or for swimming pool enclosures may be considered. Fence material to be of wood, masonry or possibly wrought iron, and landscaped. Chain link fences will not be approved except as provided in Section 5 (c) below.

(c) No tennis court fence shall be erected on any Lot in the subdivision unless the fencing is coated with black or green vinyl acceptable to the Community Association and the plans for such fence have been approved by the Community Association in writing pursuant to Article III hereof.

(d) No aboveground swimming pools shall be erected or placed on any Lot.

(e) No antennae (except for digital satellite dishes not to exceed thirty-nine inches in diameter) or microwave and other receivers and transmitters (including those currently called "satellite dishes", except as permitted above) shall be erected or placed on any Lot unless (i) the Lot Owner can show special circumstances requiring the use of extraordinary receivers or transmitters; (ii) the device is adequately screened or buffered by mature shrubbery or trees, by terrain or by fences or other structures; and (iii) its design and placement are approved by the Community Association. By granting permission to a Lot Owner to erect receivers or transmitters, the Community Association shall not be deemed to have waived this restriction as it may apply to other Lots in Springhurst.

(f) No ornamental yard objects, statuary or sculpture, etc. shall be placed on any Lot unless its design and placement are approved in writing by the Community Association.

(g) Developer reserves the right to place a fence on the outer perimeter of the subdivision or to replace existing wire or wood fences. Maintenance and repair of fences so placed will be the responsibility of the Community Association.

#### Section 6. Duty to Maintain Lot.

It shall be the duty of each Lot Owner to keep the Lot well-landscaped and in a good and well-maintained condition. Each Lot Owner shall keep the grass on the Lot properly cut, keep the Lot free from weeds and trash, and keep the grass on the Lot properly attractive in appearance. Should any Lot Owner fail to do so, then the Community Association may take such action as it deems appropriate, including mowing, in order to make the Lot neat and attractive, and the Lot Owner shall, immediately upon demand, reimburse the Community Association or other performing party for all expenses incurred in so doing, together with allowable statutory interest, and the Community Association shall have a lien on that Lot and the improvements thereon to secure the repayment of such amounts. Such lien may be enforced by foreclosure against that Lot and the improvements thereon, but such lien shall be subordinate to any then existing first mortgage thereon.

#### Section 7. Duty to Repair and Rebuild.

(a) Lot Owners shall, at their sole cost and expense, repair their residence, keeping it in a condition comparable to that at the time of its initial construction, excepting only normal wear and tear.



(b) If all or any portion of a residence is damaged or destroyed by fire, or other casualty, then the owner shall, with all due diligence, promptly rebuild, repair, or reconstruct such residence in a manner which will substantially restore it to its apparent condition immediately prior to the casualty.

Section 8. Business: Homes Occupations. No trade or business of any kind (and no practice of medicine, dentistry, chiropody, osteopathy and other like endeavors) shall be conducted on any Lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. Notwithstanding the provisions hereof or of Section 1, a new house may be used by Developer as a model home for display.

Section 9. Signs. No sign for advertising or for any other purpose shall be displayed on any Lot or on a building or a structure on any Lot, except one sign by a real estate agent or Lot Owner advertising sale or rent thereof, which shall not be greater in area than nine (9) square feet each; provided, however, Developer shall have the right to (i) erect larger signs when advertising the subdivision and (ii) place signs on Lots designating the Lot numbers. This restriction shall not prohibit placement of occupant name signs and Lot numbers as allowed by applicable zoning regulations.

Section 10. Drainage. Erosion and Sediment Control.

(a) Drainage of each Lot shall conform to the general drainage plans of Developer for the subdivision. No storm water drains, roof downspouts or ground water shall be introduced into the sanitary sewage system. Connections on each Lot shall be made with watertight joints in accordance with all applicable plumbing code requirements.

(b) It shall be the further responsibility of each Lot Owner to prevent mud, dirt, silt, gravel or other debris from washing, draining or being otherwise deposited upon any street in SPRINGHURST. This requirement is in keeping with the Federal Clean Water Act which has been adopted in the Commonwealth of Kentucky.

(c) It shall be the responsibility of each Lot Owner to ensure that any grading of his Lot shall comply with the drainage plan. If drainage is blocked or altered, the Lot Owner shall correct the problem at his expense or the Community Association may correct the problem and the Lot Owner shall be responsible for any costs or expenses to correct the problem.

Section 11. Disposal of Trash. No Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Trash or garbage or other waste shall not be kept except in sanitary containers. If trash is placed on a Lot, the Lot Owner must remove it within ten (10) days.

Section 12. Rules for Common Areas. The Community Association is authorized to adopt rules for the use of common areas and such rules shall be furnished in writing to the Lot Owners.

## ARTICLE III - ARCHITECTURAL CONTROL

Section 1. Architectural Control. Except for initial construction of dwelling units and improvements by the Developer, which construction and improvements shall be under the exclusive control of Developer, no building, fence, wall or other structure shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition or change or alteration thereof be made until a detailed set of plans and specifications showing the nature, and heights is submitted to and approved by the Community Association. Such plans and specifications shall be in such form and shall contain such information as the Community Association may reasonably require, including but not limited to, any or all of the following: a site plan; proposed landscaping; patio and walkway locations; description of materials; location of lighting; architectural plans including cross-sections, floor plans and elevations, evidence of conformity with building codes and the exterior design, color and conformity with building codes. The Board's review of the plans and specifications shall include the following considerations: the continued maintenance of White Blossom, Phase 19, as a residential community of aesthetic quality; the promotion of the health, safety and welfare of all Lot Owners; preservation, beautification and maintenance of the subject Lot and the impact of the proposed improvements on White Blossom, Phase 19. The Community Association shall either (i) approve the plans and specifications, or (ii) disapprove them; or (iii) approve them with conditions or qualifications. The approval of the plans and specifications by the Community Association shall not constitute a representation or warranty by it as to the quality of the workmanship, materials or architectural or engineering design covered thereunder, or the proposed work's feasibility or compliance with any applicable laws. In the event the Community Association fails to approve or disapprove such design and location within thirty (30) days after plans and specifications have been submitted to it, approval will not be required and this Article III will be deemed to have been fully complied with. Such submission to the Community Association shall be in person, or by registered or certified mail, with return receipt, directed to the Community Association Manager, or if there is no Manager, to its President.

Section 2. Minimum Floor Areas Elevations.

- (a) The ground floor area of a one story house shall be a minimum of 2,000 square feet, exclusive of the garage.
- (b) The ground floor area of a two story house shall be a minimum of 1,000 square feet, exclusive of the garage.
- (c) Finished basement areas, garages and open porches are not included in computing floor areas.

Section 3. Garages; Carports. All Lots shall have at least a 2 car garage unless otherwise approved in writing by the Community Association. No detached garages or carports are allowed unless otherwise approved in writing by the Community Association. Garages, as structures, are subject to prior plan approval under Section 1 hereof.

Section 4. Landscaping: Trees; Mail and Paper Holders.

(a) Any trees placed on Lots by the Developer shall not be removed from any Lot without the prior written approval of the Community Association. In the event of the death or other destruction of a tree placed by the Developer, the Lot Owner shall replace the tree with a tree of the same variety having a diameter of at least 3 inches.

(b) Upon a Lot Owner's failure to comply with the provisions of this Section 4, the Community Association may take such action as necessary to comply therewith, and the Lot Owner shall immediately, upon demand, reimburse the Community Association or other performing party for all expenses incurred in so doing, together with allowable statutory interest, and the Community Association shall have a lien for such expenses and statutory interest on that Lot and the improvements thereon to secure the repayment of such amounts. Such lien may be enforced by foreclosure against that Lot and the improvements thereon, but such lien shall be subordinate to any first mortgage thereon.

(c) A mailbox and paper holder will be placed on each Lot by the Developer. In the event the mailbox and paper holder is damaged or destroyed, the Lot Owner shall promptly repair it to its apparent condition immediately prior to being damaged, or replace it with an identical mailbox and paper holder. If an identical mailbox and paper holder is not available, then any replacement mailbox and paper holder must be approved by the Community Association.

Section 5. Enforcement. In the event of a violation of the provisions of this Article III, the Community Association shall have the right to enforce this Article by any proceedings authorized in this Declaration, its By-Laws or by law.

ARTICLE IV -- COMMUNITY ASSOCIATION

Section 1. Community Association. The Springhurst Community Association, Inc. ("Community Association") has been created to maintain common areas (which includes open spaces, lakes and certain other recreational and community facilities) and to provide other functions set forth herein. Every owner of a Lot in this Phase of Springhurst Subdivision (and such other sections which Developer has by previous deed restrictions so provided or shall by future deed restrictions so provide) shall be a member of the Community Association and subject to the membership obligations established in this instrument, including association rules adopted under Article II Section 12.

Section 2. Lot Owners' Easements of Enjoyment. Every Lot Owner shall have a right and easement of enjoyment in and to the common areas which shall be appurtenant to and shall pass with the title to every Lot. "Common area(s)" means and refers to all non-residential Lots and areas, which are shown on any recorded final subdivision plat within any portion of Springhurst made subject to the Community Association, together with all other improvements

owned or to be owned by the Community Association. The right of enjoyment is subject to the following provisions:

(a) The right of the Community Association to borrow money for the purpose of improving the common areas or for constructing, repairing or improving any facilities located or to be located thereon, and to give as security for the payment of any such loan a mortgage conveying all or a part of the common areas;

(b) The right of the Community Association to suspend the voting rights and the right to use common areas for any period during which any assessment against a Lot remains unpaid, and for a period of time for any infraction of its published rules and regulations; and

(c) The right of the Community Association to dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Community Association and such agency, authority or utility. Developer may dedicate utility or service easements at its sole discretion so long as there is in existence the Class B membership as provided for in Section 14.

(d) The right of the Community Association to permit the use of and to charge an initiation fee and reasonable admission and other fees for the use of the clubhouse and any recreational facilities situated in Springhurst.

Section 3. Delegation of Use. Lot Owners may delegate, in accordance with the Bylaws, their right of enjoyment to the common areas to the members of their families or to their tenants or contract purchasers who reside on the property. Membership in the Community Association may not be conveyed separately from ownership in the Lot.

Section 4. Community Association's Right of Entry. The authorized representative of the Community Association or the Board shall be entitled to reasonable access to the individual Lots as may be required in connection with the preservation of property on an individual Lot or in the event of any emergency or in connection with the maintenance of, repairs or replacements within the common areas, of any equipment, facilities or fixtures affected or serving other Lots or the common areas or to make any alteration required by any governmental authority.

Section 5. Assessments; Creation of the Lien and Personal Obligation. Each Lot Owner, except Developer, by acceptance of a deed for a Lot, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Community Association (i) annual assessments or charges, and (ii) special assessments for capital improvements, such assessments to be established and collected as provided in this Article IV. Until Developer transfers control of the Community Association in accordance with Section 14, Developer shall be responsible for the maintenance costs of the Community Association, incurred over and above assessed amounts payable to the Community Association by the Lot Owners. Maintenance cost overruns funded by Developer are an obligation of the Community Association, which shall be repaid to Developer from future surpluses. The annual and special assessments, together with interest, costs and

reasonable attorneys fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

#### Section 6. Purpose of Assessments.

(a) The assessments levied by the Community Association shall be used exclusively to promote the health, safety and welfare of the residents and in particular for the acquisition, improvement and maintenance of properties and services devoted to this purpose, or for the use and enjoyment of the common areas, including but not limited to, the cost of labor, equipment, materials, management and supervision, payment of taxes assessed against the common areas, the procurement and maintenance of insurance in accordance with the Bylaws, the employment of attorneys to represent the Community Association when necessary, and such other needs as may arise. The Community Association shall maintain, operate and repair, unless such obligations are assumed by any municipal or governmental agency having jurisdiction thereof, the common areas, open spaces, gatehouse, entranceways, streets, crosswalks, medians, berms, storm drains, basins, lakes and other improvements. The Community Association shall maintain and repair perimeter fences placed by the Developer.

(b) In addition to the above obligations, the Community Association shall be responsible for the maintenance of the landscape easement along Hurstbourne Parkway shown on the plat of Springhurst Subdivision, Phase I, of record in Plat and Subdivision Book 37, Pages 83 and 84 in the office of the Clerk of Jefferson County, Kentucky. The landscaping shall include shrubs, trees, flowers and ground cover which shall be regularly maintained by the cutting of grass, trimming and where necessary, replacement of shrubs and trees. The Kentucky Department of Highways and the Jefferson County Public Works and Transportation Department shall have the right to make changes in the maintenance or in the embankment and slopes where necessary to maintain the integrity of the Hurstbourne Parkway right-of-way.

(c) Until Class B membership ceases and is converted to Class A membership pursuant to Section 14, Developer or its nominee shall administer the assessments and receipts therefrom, which may only be used for purposes generally benefiting the Springhurst Community as permitted in this Declaration.

#### Section 7. Annual Assessment.

(a) The annual assessment shall be \$588.00 per Lot, or such other amount as may be determined by the Board. The Board shall have the right to require the annual assessment to be paid in a single installment or to be paid in quarterly installments as determined by the Board. The annual assessment may be increased each year by not more than 20% above the

assessment for the previous year without a vote of two-thirds of each class of members pursuant to the Bylaws.

(b) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum provided above. The Board of Directors shall determine when the assessments shall be paid.

Section 8. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Community Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon a common area, including fixtures and personal property related thereto. Any such assessment shall have the assent of the members of the Community Association in accordance with the Bylaws.

Section 9. Uniform Rate of Assessment; Exception. Except as otherwise provided herein, both annual and special assessments shall be fixed at a uniform rate for all Lots except those unimproved and unoccupied Lots owned by Developer.

Section 10. Date of Commencement of Annual Assessments; Due Dates. Subject to the provisions of Section 7 above, the annual assessments shall be due and payable on a date established by the Board each year. The annual assessments provided for herein shall begin as to any Lot subject to the assessment at the time the Lot Owner takes title. The first annual assessment shall be prorated according to the number of months remaining in the calendar year when the Lot Owner takes title.

Section 11. Effect of Nonpayment of Assessments; Remedies of the Community Association. Any assessment not paid within thirty (30) days of the due date shall bear interest at such interest rates as are from time to time established by the Board (which interest rate shall not exceed the maximum legal interest rate allowed to be charged to an individual under the laws of the Commonwealth of Kentucky). The Community Association may bring an action at law against the Lot Owner personally obligated to pay the assessment, or foreclose the lien against the property, and interest, costs and reasonable attorneys fees of such action or foreclosure shall be added to the amount of such assessments. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common areas.

Section 12. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any then existing first mortgage. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding sections. However, the sale or transfer of any Lot pursuant to a first mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien.

Section 13. Membership. Developer and every owner of a Lot which is subject to an assessment shall be a member of the Community Association. Such owner and member shall abide by the Community Association's Bylaws, Articles of Incorporation recorded in Corporation Book 416, Page 659 in the office of the Clerk of Jefferson County, Kentucky, rules and regulations, and shall pay the assessments provided for in this Declaration, when due, and shall comply with decisions of the Community Association's Board of Directors. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 14. Classes of Membership. the Community Association shall have two classes of voting membership:

(a) Class A. Class A members shall be all Lot Owners, with the exception of Developer.

(b) Class B. The Class B member shall be Developer. The Class B membership shall cease and be converted to Class A membership on the happening of any of the events specified in paragraph (c) below whichever occurs earlier.

(c) Each member shall have one vote with respect to each Lot owned by such member, but Class A members shall not be entitled to exercise any vote until the earlier of:

(i) When, in its discretion, Developer so determines;

(ii) When 100% of the Lots which may be developed as described in Article I, Sections 1 and 2 have been sold by Developer and improvements have been constructed thereon; or

(iii) January 1, 2010.

Section 15. Initial Assessment. Upon the initial conveyance of a Lot by the Developer to a Lot Owner, the Lot Owner shall pay an initial assessment of \$250.00. The initial assessment shall be used as working capital for the Community Association and not collected in lieu of any installments of the annual assessment. The initial assessment is non-refundable. No initial assessment shall be due on any Lot purchased from a Lot Owner other than the Developer.

Section 16. Individual Assessment. If any portion of the Common Area that the Community Association is obligated to maintain, repair and/or replace is damaged due to the willful or negligent act of a Lot Owner, or Lot Owner's guest or invitee, the Board of Directors shall have the right to undertake the necessary maintenance, repair or replacement. The choice between repair and replacement is in the sole discretion of the Board. The costs so incurred by the Board shall be assessed as an individual assessment against all lots owned by the Lot Owner responsible for the damage. No such assessment may be levied against lots owned by the Developer without the written consent of the Developer.

Section 17. Administration by Association. Subject to the rights retained by Developer pursuant to this Declaration, the ownership, operation and maintenance of the Common Area and the administration and enforcement of this Declaration shall be by the Community Association in accordance with the terms and provisions of this Declaration.

## ARTICLE V -- GENERAL PROVISIONS

Section 1. Enforcement. Enforcement of these restrictions shall be by proceedings at law or in equity, brought by any Lot Owner or by Developer against any party violating or attempting to violate any covenant or restriction, either to restrain violation, to direct restoration and/or to recover damages. If any Lot Owner, the Community Association or Developer is required to employ legal counsel to enforce any of the provisions or restrictions of this Declaration or exercise any of the remedies provided for herein, the party violating a provision or restriction of this Declaration shall pay all legal expenses, including court costs and attorneys fees, incurred by the party enforcing these restrictions. The party enforcing these restrictions shall have a lien on the Lot of the party violating these restrictions to secure payment of all such legal expenses, which lien may be enforced in the same manner as the liens provided in Article IV, Section 5 and Article IV, Section 11 of this Declaration. Failure of any Lot Owner or Developer to demand or insist upon observance of any of these restrictions, or to proceed for restraint of violations, shall not be deemed a waiver of either the violation or the right to seek enforcement of these restrictions and the exercise of any remedy provided for herein or, at law or in equity shall not preclude the exercise of any other remedy available at law or in equity.

Section 2. Severability. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 3. Restrictions Run with Land. Unless cancelled, altered or amended under the provisions of this paragraph, the provisions of this Declaration shall run with the land and shall be binding on the Lots, the owners of each Lot and all parties claiming under them, for a period of thirty (30) years from the date this Declaration is recorded. After such thirty (30) years, this Declaration shall be deemed extended automatically for successive periods of ten (10) years, unless and until an instrument signed by at least seventy-five (75) percent of the Lot Owners of the Lots subject to this Declaration has been recorded in the aforesaid Clerk's office, agreeing to change this Declaration in whole or in part and the term hereof; provided, however, that if Developer, its designated successors or assigns, as applicable, then owns any Lot, or any portion of Springhurst, or if any portion of Springhurst remains unplatted as a phase, this Declaration may not be so changed in whole or in part without the prior written consent of Developer in its sole discretion. From the date of this Declaration and for so long hereafter as Developer, its designated successors or assigns, as applicable, owns any Lot or any portion of Springhurst (i) this Declaration may hereafter be unilaterally amended by Developer to bring the terms and provisions hereof in compliance with any applicable governmental law, rule, regulations, order, decree, judgment or ordinance, and (ii) Developer may otherwise unilaterally amend this Declaration as Developer may elect in its sole discretion, provided, that any such amendment



under this subpart (ii) shall not materially adversely affect the then existing private single-family residential nature of the developed residential sections of Springhurst. At such time as either Developer, its designated successors or assigns, as applicable, no longer owns any Lot or any portion of Springhurst, or upon such earlier date as Developer may elect in its sole discretion by written notice given to the Board, this Declaration may thereafter be cancelled, altered or amended by the recordation of a document in the aforesaid Clerk's Office in which the Board certifies that such cancellation, alteration or amendment was executed by the owners of seventy-five (75) percent of the Lots subject to this Declaration.

Section 4. Amendments to Articles and Bylaws. Nothing in this Declaration shall limit the right of the Community Association to amend, from time to time, its Articles of Incorporation and Bylaws.

Section 5. Non-Liability of the Directors and Officers. Neither Developer nor the directors or officers of the Community Association shall be personally liable to the Lot Owners for any mistake or judgment or for any other acts or omissions of any nature whatsoever while acting in their official capacity, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. The Lot Owners shall indemnify and hold harmless each of the directors and officers and their respective heirs, executors, administrators, successors and assigns in accordance with the Bylaws.

Section 6. Board's Determination Binding. In the event of any dispute or disagreement between any Lot Owners relating to the property subject to this Declaration, or any questions of interpretation or application of the provisions of this Declaration, the Bylaws, or rules and regulations of the Community Association, the determination thereof by the Board shall be final and binding on each and all such Lot Owners.

Section 7. Open Space and Signature Walls. The Community Association will maintain the open space and signature walls which are an integral part of the subdivision community and development and it being specifically provided that notwithstanding any article, paragraph, sentence, clause or other provision which may be contained in this Declaration, that in the event that these Covenants, Conditions and Restrictions shall be amended, altered, modified or cancelled, then in such event the Lot Owners shall continue to be obligated to maintain the common areas and signature walls of Springhurst unless and until the said common areas and signature walls shall have been transferred to and accepted by a governmental agency for upkeep and maintenance. No common areas including medians in the right of way, open space or signature walls shall be dedicated to a unit of local government without the acceptance of the unit of local government involved and the approval of the Louisville and Jefferson County Planning Commission. The provisions contained in this Article V, Section 7 shall not be amended by the Community Association.

