

# Royal Coach

CONDOMINIUMS

*An Adult Community*

5701 Coach Gate Wynde

MASTER DEED

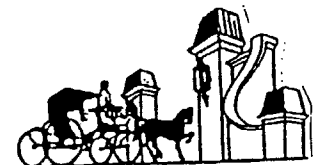


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MASTER DEED AND DECLARATION OF  
CONDOMINIUM PROPERTY REGIME

FOR

ROYAL COACH

A CONDOMINIUM REGIME

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ROYAL COACH CONDOMINIUM JOINT VENTURE, a Kentucky Joint Venture, the Joint Venturers of which are L.H.F. Service Corporation, a Kentucky corporation, and Colston, Inc., a Kentucky corporation, the office address of which Joint Venture is 140 South Fifth Street, Louisville, Kentucky 40202 (hereafter referred to as "Developer"), on this the 12<sup>th</sup> day of July, 1982, declares this Master Deed and Declaration of Condominium Property Regime as its plan for ownership in condominium of certain real estate in Jefferson County, Kentucky, the land being more particularly described as follows:

BEING Section 1 and Section 2, as shown on Minor Subdivision Plat approved by the Louisville and Jefferson County Planning Commission attached hereto, marked Exhibit "A", and made a part hereof as though copied herein.

BEING part of the same property acquired by Colston, Inc., by a Deed dated the 25th day of April, 1974, of record in Deed Book 4725, Page 339, and by deed dated March 18, 1976, of record in Deed Book 4842, Page 830, in the Office of the Clerk of the County Court of Jefferson County, Kentucky.

The aforesaid land is owned by the Developer in fee simple.

In order to create a Condominium Regime consisting of the property described above and improvements thereon to be known as "ROYAL COACH, A CONDOMINIUM", the Developer hereby submits the aforesaid land and all improvements to be constructed thereon, and all the Developer's interest therein, to a Condominium Property Regime established under the Horizontal 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, easements, reservations, covenants and conditions and other provisions, hereby declaring that said property shall be held, conveyed, mortgaged, encumbered, used, occupied, improved, maintained, managed and controlled subject to this Master Deed and Declaration and the other governing documents referred to herein. The provisions of this Declaration, subject to rights of amendments as contained herein, constitute covenants running with the land and are binding on and for the benefit of present and future owners, and mortgagees and lessees of any part of the Regime, the Developer and any person, firm or association having any interest in the Condominium Regime.

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It is one of the intents of this Master Deed and Declaration, to be in furtherance of a plan to promote and protect the aspect of condominium ownership of the property for the purpose of enhancing the development, value, desirability and attractiveness of the property.

A. Definitions. Certain terms as used hereinafter shall be defined as follows:

(1) "Developer" means Royal Coach Condominium Joint Venture, a Kentucky Joint Venture, its successors, and assigns, except purchasers from Colston, Inc. and/or Royal Coach Condominium Joint Venture, of Units as defined and established by this Master Deed.

(2) "Master Deed" means this Master Deed and Declaration of Condominium Property Regime for Royal Coach, A Condominium Regime.

(3) "Regime" means the real estate condominium plan created hereby.

(4) "Property" means and includes the land hereinbefore described, the building and other improvements presently and in the future thereon, and all easements, rights

and appurtenances belonging thereto, and all fixtures and equipment intended for the mutual use, benefit or enjoyment of the Co-Owners. Property does not include Section 2 as set forth on the aforesaid Minor Subdivision Plat attached hereto.

(5) "Unit" means an enclosed space as measured from interior unfinished surfaces consisting of a number of rooms occupying all or part of one floor in a building within the Regime, having direct access to a thoroughfare or to a common space leading to a thoroughfare, as shown on the floor plans referred to in Section D of this Master Deed. The plumbing, heating, and air conditioning equipment (including all ducts and pipes), electrical facilities, hot water heater, telephones, window panes, garbage disposer, garbage compactor, storm and screen doors and windows, if any, and other equipment located within or connected to a Unit for the purpose of serving that particular Unit, shall be a part of the Unit, notwithstanding that some of said equipment might be located in a General Common Element or Limited Common Element (as hereinafter defined). The maintenance, repair and replacement of said equipment shall be the sole responsibility of the Unit Owner.

(6) "Unit Owner" or "Co-Owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who holds a recorded deed or other instrument conveying title to a Unit or Units. If a Unit is owned by more than one person, or by a firm, corporation, partnership, association, trust, or other legal entity composed of more than one person, same shall be considered as only one Unit Owner. Unit Owner does not mean Developer, nor does the term include Units owned and held by Developer for sale.

(7) "Council of Co-Owners" or "Council" means of the Unit Owners acting as a group in accordance with the provisions of this Master Deed, any amendments hereto, and the Bylaws of the Council (sometimes referred to herein as "Bylaws"). "Council of Co-Owners" or "Council" also means "Royal

Coach, Inc.", a non-profit, non-stock Kentucky corporation, and its members, said members being all the Unit Owners from time to time.

(8) "Board" means the Board of Administration of the Council which Board governs, manages, and administers the affairs of the Council and Regime in accordance with the provisions of this Master Deed and the Bylaws of the Council, and other governing documents.

(9) "General Common Elements" means and includes the following:

The land hereinbefore described on which Building "B" is located and Building "A" is to be located and shall include, but not be limited to, the land and any improvements and fixtures attached thereto, basement areas (except automobile parking stalls therein), corridors, halls, elevator shafts, stairways, entrances and exits, lobbies, garbage chutes, storage areas (except basement automobile parking stalls converted to storage areas), racquet ball court, social and athletic rooms, swimming pool, sun deck, bridge or walkway to pool deck, roofs, terrace or roof garden, pipes, ducts, electrical wiring and conduits, public utility lines, floors and ceilings (except the interior decorated surfaces thereof located within the Units), perimeter walls of the Units (except the interior decorated surfaces thereof), structural parts of the building, outside walks and outside driveways, landscaping, easements and all other portions of the Regime, (except the individual Units and any Limited Common Elements attached thereto and part thereof). Structural columns and load-bearing walls located within the boundary of the Unit shall be part of the General Common Elements. Common Elements shall also include tangible personal property used for the maintenance and operation of said Regime even though owned by the Council.

Outdoor Parking Spaces (as hereinafter defined) not assigned by Developer for the exclusive use of a particular Unit Owner are General Common Elements.

General Common Elements also means and includes all other elements of the Regime rationally of common use or necessary to its existence, upkeep and safety, except as otherwise provided herein, as well as such other General Common Elements elsewhere designated in this Master Deed.

Anything to the contrary herein contained notwithstanding, the Units and Limited Common

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Elements are not part of the General Common Elements.

(10) "Limited Common Elements" means and includes those Common Elements which are specifically reserved for the use of a certain Unit or a specifically designated number of Units to the exclusion of other Units, including but not limited to the following which are specifically reserved for a Unit or a specifically designated number of Units:

- (a) Entrances and Exits to the specific Units
- (b) Chimneys
- (c) Utility service facilities
- (d) Patios, partitioned courtyards and balconies
- (e) Door and window frames
- (f) Storm doors and windows and window screens
- (g) Such specific basement automobile parking stalls (hereinafter referred to as "Indoor Parking Stalls"), the exclusive rights to which have been sold and assigned to a specific Unit Owner by Developer, and unassigned Indoor Parking Stalls, all subject to Developer's rights and control as provided in this Master Deed, and subject to maintenance and repairs as set forth in Section A(11)(f) hereof.
- (h) Outdoor, unenclosed, and uncovered parking spaces (hereinafter referred to as "Outdoor Parking Spaces") assigned to a specific Unit Owner by Developer.
- (i) Such other Limited Common Elements which are agreed upon by the Council, Board or Developer to be reserved for the use of a particular Unit or particular Unit Owner, as well as other Limited Common Elements elsewhere designated in this Master Deed.

(11) "Common Expenses" or "Common Expense" means and includes all charges, costs and expenses incurred by the Council for and in connection with the following as pertains to Section 1, and as will also pertain to Section 2 when the Regime is expanded as provided in Section E of this Master Deed:

- (a) Administration of the Regime, and Property including, without limitation thereof, operation of the Regime; maintenance, repair, replacement and restoration (to the extent not covered by insurance) of the General 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 General Common Elements and their use; all premiums for hazard, liability and other insurance with respect to the General Common Elements, Property and the Regime; all liabilities incurred in acquiring a Unit pursuant to judicial sale; and all administrative, accounting, legal and managerial expenses; the cost of operation, maintenance, improvement and replacement of any recreational facilities and equipment; amounts incurred in replacing, or substantially repairing major capital improvements, including, but not limited to, roof replacement, road, driveway and parking lot resurfacing; and any reserve or reserves included in the Regime's budget for capital expenditures.

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- (b) Landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the interior surfaces, windows and doors of the Units, (which the respective Unit Owner shall paint, clean, decorate, maintain and repair at the expense of the Unit Owner).
- (c) Acquisition and maintenance of furnishings and equipment for the General Common Elements as the Council shall determine are necessary and proper.
- (d) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, or assessments which the Board deems necessary or proper for the maintenance and operation of the Property as a first-class Regime, and expenses of enforcement of any restrictions or provisions contained herein, except as otherwise provided herein or in other governing documents.
- (e) Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part thereof which may in the opinion of the Council constitute a lien against the Property or against the Common Elements, rather than merely against the interests therein of particular Unit Owners. Where one or more Unit Owners are responsible for the

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existence of such lien, they, or any of them, shall be liable for the cost of discharging it, and any costs incurred by the Board or Council by reason of said lien or liens shall be specially assessed to said Unit Owners and shall, until paid by such owners, constitute a lien on the interest of such owners in the Property, which lien may be foreclosed in like manner as a mortgage.

- (f) Maintenance and all repairs of the Outdoor parking spaces, and Indoor Parking Stalls.
- (g) Maintenance and repair of any Unit, Limited Common Element, or any other portion of the Property which a Unit Owner is obligated to maintain or repair under the terms thereof, if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements, or any other portion of the Property. If the owner of said Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said owner, the Board may levy a special assessment against said Unit for the cost of said maintenance or repair, and the amount of such special assessment shall constitute a lien on the Unit of such Unit Owner, which lien may be foreclosed in like manner as a mortgage. Said lien shall be inferior to any lien of a first mortgage or of taxes.
- (h) Maintenance and repair of Unit used for Regime Manager's lodging.
- (i) Such other expenses, as herein set forth as Common Expenses, or as provided in the Bylaws of the Council, or which the Board may hereafter legally assess against Unit Owners consistent with proper administration, operation, and/or maintenance of the General Common Elements, Limited Common Elements, and the Property and Regime.

(12) "Act" means KRS Sections 381.805 through KRS 381.910 (Horizontal Property Law) under which the Regime is established.

(13) "Mortgagee" means a bank, savings and loan association, insurance company, or other financial institution regularly engaged in the business of making mortgage loans.

Mortgagee does not mean or include a person or firm making a mortgage loan on any Unit if that person or firm is not regularly engaged in the business of making mortgage loans and is not a lending institution.

(14) Other terms may be defined as hereinafter set forth.

(15) Definitions shall also be considered covenants under this Master Deed.

B. Description of Building. There is initially to be one building within the Regime, said building to be two stories in height, plus a full basement area. Said building shall be known as building "B." The exterior of the building shall be principally brick and stucco. The design of the building is a low rise garden type structure.

The principal materials of which the building is to be constructed are woodframe, concrete, steel, masonry and stucco.

The layout, location, unit numbers and dimensions of the Units are more fully described in the floor plans thereof filed simultaneously herewith, recorded in Apartment (Condominium) Ownership Book 29, Pages 12 through 16 in the Office of the Clerk of the County Court of Jefferson County, Kentucky, and bearing said Clerk's File No. 326.

C. Respective Areas of Land and Building. The total area of the land within the Regime is 5.253 acres, and the area of the land covered by Building "B" within the Regime is 32,248.32 square feet, and Building "A" is to be approximately 34,700 square feet in area.

D. Description of Units and Percentage Interest. The Regime is initially divided into 32 Units, of which 30 Units are one story and 2 Units are two stories. Each Unit Owner shall have the exclusive ownership of his or her Unit, and except as otherwise limited by this Master Deed, shall have a common right to share with the other Unit Owners in the General Common Elements of the Regime, said share being equivalent to the

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percentage representing the floor area of the individual Unit with relation to the floor area of the whole Property (subject to amendment as provided in Section E). This percentage shall be computed by taking as a basis of the floor area of each of the individual Units in relation to the floor area of the Property as a whole. In this regard, any loft area in an individual Unit shall not be considered as floor area of the individual Unit in making the computation.

Each Unit in Building "B" is shown or designated in the aforesaid floor plans recorded in the aforesaid Apartment (Condominium) Ownership Book 29, Pages 12 through 16 in the Office of the Clerk of the County Court of Jefferson County, Kentucky, and bearing said Clerk's File No. 326. Said plans are filed simultaneously herewith and are made part hereof by reference.

The Developer reserves the exclusive right to amend this instrument and said floor plans, and respective area of buildings and land, for the purpose of showing completed Units "as built" without necessity of any Unit Owner or other interested holder joining in the amendment. The Developer further reserves the exclusive right to slightly alter the square footage of the Units and appropriate amendments of the floor plans, in order to comply with the Act, relating to percentage of common interest based on floor area of an individual Unit (excluding lofts) in relation to the floor area of the whole Property.

The area and location of each Unit is shown on the aforesaid floor plans.

The aforesaid undivided percentage of common interest for each Unit Owner is as shown on Exhibit "B" attached hereto and made part hereof, until amended as hereinafter set out.

Anything to the contrary herein contained notwithstanding, and recognizing that the floor area of the unbuilt Units as the completion of Units progresses may change slightly, Developer hereby reserves the exclusive right, without the consent or approval of any other party, to amend this Master Deed to show any alteration in floor area (excluding lofts) of a particular Unit, and any alteration of floor plans showing completed Units "as built," and as a result thereof, and in compliance with the Act adjust the percentage of common interest of all Units so that each Unit Owner's percentage is based on floor area of the individual Unit as built in relation to the floor area of the whole Property.

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Any conveyance of an individual Unit shall, except as otherwise provided in this Master Deed, be deemed also to convey the undivided interest of the Unit Owner in the General Common Elements and Limited Common Elements of that Unit, and easements pertaining to that Unit, without specifically or particularly referring to same. Such interest of the Unit Owner shall remain undivided, and shall not be the object of an action for partition or division.

E. Expansion of Regime. It is anticipated that the land shown as Section 2 on the Minor Subdivision Plat attached hereto and made part hereof, is reserved for future building and the Developer plans to construct another building on Section 2.

It is planned that said future building will be two stories in height, plus a full basement area, which will contain Indoor Parking Spaces. Said future building shall be known as Building "A". It is planned that said future building shall be a low rise garden type structure, with the exterior to be of the same material as Building "B". It is further planned that the design of Building "A" is to be a low rise garden type structure, similar to Building "B".

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The principal materials of which Building "A" is to be constructed are woodframe, concrete, steel, masonry and stucco.

It is planned that Building "A" shall consist of thirty-four (34) Units of one story each.

When Building "A" is constructed, or at any time prior thereto, the Developer will amend this Master Deed and file floor plans of Building "A", and reallocate the percentage of General Common Element ownership as provided herein.

Such amendment to this Master Deed shall not require the execution thereof by Unit Owners or mortgagees, or others holding liens against the Units in the present Regime. Such amendment to the Master Deed shall be effective at the time of its recording in the Office of the Clerk of the County Court of Jefferson County, Kentucky.

Upon recording of such amendment, all Units, Unit Owners, Developer, Council and Board shall be subject to all of the provisions of this Master Deed as so amended and shall have all rights, privileges and obligations as contained in this Master Deed as amended, including, but not limited to, the provisions pertaining to Indoor Parking Stalls and Parking Charges.

In furtherance of the foregoing, an irrevocable power, coupled with an interest, is hereby granted and reserved unto Developer to shift and reallocate the percentage of ownership in the General Common Elements appurtenant to each Unit to the percentages set forth in the amended Master Deed pursuant to this Section. Each execution 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 acknowledgment of and conclusive evidence of the parties thereto to the consent of such reservation of power to Developer as Attorney in Fact and shall

be deemed to reserve to Developer the power to shift and reallocate the percentages of ownership, in the General Common Elements appurtenant to each Unit as set forth in such recorded amendment to the Master Deed. Further, Developer specifically reserves the rights to determine the location of the future Units and Building within Section 2.

Each Unit Owner in the Regime, by acceptance of a deed to his Unit, and the mortgagee or other lien holder holding a lien against Units in the Regime, further acknowledge, consent, and agree to such further amendment to this Master Deed, as follows, but without limitation as to other provisions contained in this Master Deed:

- (a) The percentage of ownership in the General Common Elements appurtenant to each Unit shall automatically be shifted and reallocated to the extent set forth in such amended Master Deed and upon the recording of such amended Master Deed, the amount by which such percentage appurtenant to a Unit is reduced, as set forth in such amended Master Deed, shall thereby be and be deemed to be released and divested from each Unit Owner and reconveyed and reallocated among all Unit Owners as set forth in each such recorded amended Master Deed.
- (b) Each deed, mortgage or other instrument affecting a Unit shall be deemed given subject to the conditional limitation that the percentage of ownership in the General Common Elements appurtenant to each Unit shall, upon the recording of the amended Master Deed, be divested pro-tanto to the reduced percentage set forth in the amended Master Deed vested among the other Unit Owners, mortgagees and others owning an interest in the other Units in accordance with the terms and percentages of such recorded amended Master Deed.
- (c) A right of revocation is hereby reserved by the grantor in each such deed or other instrument of a Unit to so amend and reallocate the percentages of ownership in the General Common Elements appurtenant to each Unit, as set forth in this Section.
- (d) The percentage of ownership in the General Common Elements appurtenant to each Unit shall include and be deemed to include any

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additional General Common Elements annexed by the recorded amended Master Deed, and each deed, mortgage or other instrument affecting a Unit shall be deemed to include such additional General Common Elements, and the ownership of any such Unit and lien of any such mortgage shall automatically include and attach to such additional General Common Elements upon such amended Master Deed being recorded.

- (e) Each Unit Owner shall have a perpetual easement, appurtenant to his Unit, for the use of any additional General Common Elements annexed thereto by and described in the recorded amended Master Deed for the purposes therein set forth, except as to any portion the use of which is limited by exclusive easements granted to the Unit Owners of specific Units as may be provided in such amended Master Deed.
- (f) The recording of such amended Master Deed shall not alter the amount of the lien for expenses assessed to a Unit prior to such recording, and shall not alter any liability of a Unit Owner, including but not limited to Parking Charges, existing prior to said amendment. Except as may be otherwise specifically provided in said amended Master Deed, the provisions of the herein Master Deed shall remain in full force and effect.
- (g) Each Unit Owner by acceptance of the deed conveying his Unit, agrees for himself and all those claiming under him, including mortgagees, or other lien holders, that this Master Deed and amended Master Deed, is and shall be deemed to be in accordance with the Act, and for purposes of this Master Deed and the Act, any changes in the respective percentages of ownership in the General Common Elements as set forth in such amended Master Deed shall be deemed to be made by agreement of all Unit Owners.
- (h) The provisions of this Master Deed and deeds and mortgages of the Units will be construed to include the rights to accomplish a shifting of the General Common Elements as herein provided. None of said provisions shall invalidate the other, but each shall be deemed supplementary to the other toward the end that a valid shifting of the General Common Elements can be accomplished.
- (i) Within the basement of future Building "A" of the Regime, an area will be set aside and designated as a restroom for security personnel and for storage of security material and equipment, for all or



any part of Royal Coach, Coach Gate and Coach House. The guard or guards furnished for security shall have the right of ingress and egress at all times to said restroom and storage facilities.

The amendment of the Master Deed as set forth in this Section shall not impair or affect the other rights of amendment to this Master Deed as elsewhere contained in this Master Deed.

When Developer files the amendment to this Master Deed, said Amendment shall have attached thereto, floor plans showing size, area, location, and Unit number of each Unit being created thereby, and such amendment shall further designate the undivided interests in the General Common Elements appurtenant to each Unit in the entire Regime. All Lenders and Mortgagees on Units in Building "B" and all purchasers of Units in Building "B" take subject to and consent to this designation of interest in the General Common Elements all as provided for hereinbefore, as well as all other matters provided for in this Master Deed.

Anything to the contrary herein contained notwithstanding, until this Master Deed is amended as provided in this Section E, Developer shall be responsible for all insurance and maintenance expenses on Section 2.

F. Description of General Common Elements. The General Common Elements are described as set forth in the definition of General Common Elements in Section A(9) of this Master Deed.

G. Description of Limited Common Elements. The Limited Common Elements are described as set forth in the definition of Limited Common Areas in Section A(10) of this Master Deed.

H. Undivided Nature of General Common Elements and Limited Common Elements. The General Common Elements and Limited Common Elements shall remain undivided and shall not be the

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object of an action for partition or division of the Unit Owners. Any covenant to the contrary shall be void.

I. Prohibition Against Division of Units. No Unit shall, by deed, plat, court decree, or otherwise, be subdivided, or in any other manner, separated into tracts or parcels smaller than the whole Unit as shown on the Floor Plans.

J. Combination of Two Units. If two adjoining Units are purchased simultaneously by one Unit Owner, the wall separating the Units may be wholly or partially removed, if done so according to specifications approved in writing in advance by the Board (or Developer), and provided said wall is not a load-bearing wall and does not interfere with ducts or utility lines servicing other units, notwithstanding that said wall was previously a General Common Element, which it shall cease to be upon its removal. The voting rights, percentage interest, and the maintenance charges attributable to each Unit shall not be altered by reason of said wall removal, the combined Units for such purposes being considered as two Units. However, if said wall is replaced, it shall not thereafter be removed without the approval of the Board, and upon replacement it shall be restored to a General Common Element status (except the interior undecorated surface thereof).

K. Easements and Encroachments.

(1) 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, and electrical conduits and wires and equipment over, under, through and on any part of the General Common Elements or Limited Common Elements.

(2) In the event that by reason of the construction, reconstruction, settlement, or shifting of a building, or the design or construction, any part of any Unit or any part of the General or Limited Common Elements encroaches or shall hereafter encroach upon any part of any other Unit, or any part of any Unit encroaches on any part of the General or Limited Common Elements, valid easements for the maintenance of such encroachments are hereby established and shall exist for the benefit of such Unit and the General or Limited 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 General or Limited Common Elements if such encroachment occurs due to the wilful conduct of said owner or owners. In addition to the foregoing, it is expressly understood that an easement for support is granted by this Master Deed.

(3) An easement for ingress and egress for the maintenance, repair and replacement of any load-bearing wall located within a Unit, or for any items within a load-bearing wall of any Unit.

(4) An easement for ingress and egress and maintenance in favor of any public utility providing utility service to the Regime and the Units therein 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) An easement in favor of the Council, exercisable by the Board and its agents, to enter any Unit and

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any Limited Common Element from time to time during reasonable hours, as may be necessary for the operation of the Regime, or in the event of emergency for necessary action to prevent damage to any part of the Regime.

(6) Easements are further declared and granted and reserved for ingress and egress for pedestrian traffic over, through and across the lobby, hallways, passages, stairways, elevators, sidewalks, paths, walks and lanes as are now and from time to time may exist upon the common elements; and for vehicular traffic over, through and across such driveways, parking areas and other portions of the common elements as are now and from time to time may be paved and intended for such purposes.

(7) An easement shall exist over the Property for fire lane purposes as established or to be established in accordance with requirements of appropriate laws and regulations.

(8) Existing easements of record affecting the Property.

(9) 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 Property without necessity of authority from any Unit Owner.

(10) Easements over Indoor Parking Stalls and Outdoor Parking Spaces, before and after assigned, for maintenance and other purposes necessary to the operation of the Regime or Property. Such easements, however, shall not unreasonably interfere with parking by the Unit Owners to whom Indoor Parking Stalls and Outdoor Parking Spaces are specifically assigned.

(11) All easements and rights described herein are easements appurtenant to and running with the land, and shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any owner, or Unit Owner, purchaser, mortgagee, and other persons, their successors and assigns, having an interest in the Property or any portion thereof.

(12) The respective deeds 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 Units or parcels as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

(13) Upon a majority vote of the Board, the Board may direct its President or designated Agent to grant easements on behalf of the Council, for utility purposes for the benefit of the Regime, including the right to install, lay, maintain, repair, and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment and electrical conduits and wires over, under, along, and on any portion of the General or Limited Common Elements, and each Unit Owner hereby grants the Board (acting by and through its President or designated Agent) an irrevocable power of attorney to execute, acknowledge, and record, for and on behalf of each Unit Owner, such instruments or documents as may be necessary to effectuate the foregoing. The power of attorney shall survive any disability or death of the Unit Owner and shall be binding on each successive Unit Owner, his or her personal representative, heirs, and estate in the event of death.

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L. Parking and Parking Charges

(1) Anything to the contrary herein contained notwithstanding, and until the Developer has sold and conveyed all Units (which period is different from the time of Developer's transfer or control), including Units that may be built on Section 2, the Developer reserves the exclusive right to sell and grant to any purchaser of a Unit or any Unit Owner, the exclusive use of specifically assigned Indoor Parking Stalls. Said exclusive right shall, upon such grant and sale, be a Limited Common Element of the Unit to which the said Indoor Parking Stalls are assigned. The Developer, after it sells and grants such exclusive rights to Indoor Parking Stalls, shall file with the records of the Board, the name of the Unit Owner and Unit to whom the Developer has granted the exclusive use of said Indoor Parking Stalls, which records shall be conclusive upon the Council and Board and all Unit Owners as to the rights of the Unit Owner designated in such instrument. Such exclusive assignment shall pass to all future owners of the Unit to which the assignment is made, even though not expressly mentioned in the document passing title to the Unit. The Board may prescribe such rules and regulations with respect to such Indoor Parking Stalls, including the requirement that such exclusive use and possession encompass the obligation to clean the Indoor Parking Stalls as an expense of the Unit Owner rather than as a Common Expense. The maintenance and repairs of Indoor Parking Stalls is a Common Expense, except as otherwise provided herein.

If the Developer and Unit Owner so agree, the assigned Indoor Parking Stalls, or any of said assigned Indoor Parking Stalls, may be enclosed and used for storage of any personal property, rather than being used for automobile parking. In the event any Indoor Parking Stalls assigned by Developer for the exclusive use of particular Units are enclosed

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and used for storage by the Unit to which assigned, all other provisions pertaining to Indoor Parking Stalls, as contained in this Master Deed, shall apply, just as if the Indoor Parking Stalls were used for automobile parking, including, but not limited to, provisions pertaining to Parking Charges.

(2) As an inducement for the Developer to provide Indoor Parking Stalls for purchasers of Units who may be willing to acquire the exclusive use of same, and in accordance with the reserved right of the Developer to sell and grant to a Unit Owner the exclusive use of particular Indoor Parking Stalls, the Developer hereby offers each purchaser of a Unit a choice of either of the following two options to purchase permanent and exclusive rights to Indoor Parking Stalls:

Option (i): Exclusive rights to a minimum of two (2) designated Indoor Parking Stalls for the sum of Twenty Five Hundred Dollars (\$2500.00) each, payable in installments as set forth in sub-section L(4) below.

Option (ii): Exclusive right to a minimum of two (2) Indoor Parking Stalls at Twenty Two Hundred and Fifty Dollars (\$2250.00) each (at a 10% discount on the Option (i) price) said \$2250.00 payable in cash or equivalent at the time the purchase of the Unit is closed.

(3) In order to validly exercise Option (i) or Option (ii), the Purchaser must exercise such option in writing, signed by the Purchaser and delivered to the Developer simultaneously with the Purchaser signing his contract of purchase of Units or a Unit. Failure to exercise the option in the manner stated and at the time stated shall cause the option to lapse.

(4) If a Purchaser exercises Option (i), the following provisions shall apply to and bind the Developer, Purchaser(s), Unit Owner(s), the Council, and Board:

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- (a) The \$2500.00 cost of each Indoor Parking Stall shall be payable to Developer in Three Hundred Sixty (360) consecutive monthly installments commencing on the first day of the month following the month in which title to the Unit is conveyed to Purchaser, each subsequent installment being due and payable on the first day of each and every consecutive month thereafter. The entire unpaid balance of principal and interest is payable on the same day of the 360th consecutive month. The principal amount of the \$2500.00 purchase price for each Indoor Parking Stall shall bear interest at the rate of Twelve (12%) Percent per annum, or the maximum rate authorized pursuant to written agreements under KRS 360.010(1), whichever is less, the monthly payments to include both principal and interest, with the amount of the monthly payment being applied first to interest and the balance to principal. The first 359 of said monthly payments, including principal and interest, shall be in the amount of \$25.73 each (at 12% interest per annum, to be adjusted if maximum rate of interest is less than 12% per annum on date Unit is sold), with the entire remaining balance of interest and principal being due on the 360th consecutive month. Unit owners may pre-pay the debt without penalty. Partial pre-payments shall not eliminate the requirement of monthly payments, but shall be applied to last payments due in reverse order. Rate of interest, as limited herein, will be fixed on the date the Unit is sold to the purchaser and will remain the same throughout the term of the debt. Said installments of principal and interest are herein referred to as "Parking Charges" or "Parking Charge".
- (b) In the event any monthly Parking Charge is not fully paid within thirty (30) days after said monthly Parking Charge is due, Developer or Board shall have the option to declare the entire Parking Charges due for the entire remainder of the 360 month term, due and payable forthwith. Parking Charges are due and payable absolutely, without any set-off whatsoever, and regardless of whether or not the Unit Owner utilizes the Indoor Parking Stalls after purchase. Said Parking Charges shall give the Developer the same right of lien and enforcement in like manner as a mortgage of real property.
- (c) Until the Developer's transfer of control, the Parking Charges are payable to Developer, but after Developer's transfer of control, the Board, representing the Council, shall be deemed a collection agent for Developer, at no cost to Developer. After Developer's transfer of control, the Board shall remit Parking Charges to Developer within ten (10) days after the due date of each monthly Parking Charge. The Council, Board or any Unit Owner shall not, for any reason whatsoever,



withhold, delay or cause to be withheld or delayed, in whole or in part, any payment due the Developer for Parking Charges. Further, after Developer's transfer of control, and if any Parking Charges are not paid when due, the Board shall, as a guarantor, pay such delinquent Parking Charges to Developer out of Council's common funds, without Developer waiving or relinquishing any other rights with reference to Parking Charges as contained in this Master Deed. After Developer's transfer of control, the Board, separately from the Developer, shall have a lien inferior to the lien on the Developer against a Unit to which Indoor Parking Stalls have been assigned for Parking Charges the Board has been obligated to pay out of common funds of the Council, if the Unit Owner has defaulted in payment of Parking Charges. The lien and rights of the Developer shall not be affected or impaired by virtue of said lien of the Board.

- (d) Until a respective Unit Owner's Parking Charges are paid in full, Developer, by this Master Deed, shall have a lien on each respective Unit for Parking Charges, and may enforce said lien either on failure of the Unit Owner to pay said Parking Charges or upon failure of the Board to remit Parking Charges collected for the Developer. In this respect, and if Parking Charges are paid to the Board, they shall not be considered paid to Developer until the Board remits the payment to Developer, anything to the contrary herein contained notwithstanding. The aforesaid lien shall be inferior to any first lien against the Unit held by a mortgagee.
- (e) Enforcement, or an attempt to enforce, by Developer shall in no way impair Developer's future and continued right to receive Parking Charges.
- (f) After the Parking Charges for the 360 month period set forth above has been fully paid for each respective Unit, all future Parking Charges shall cease for that respective Unit Owner, and a receipt for acknowledgement of payment shall be executed. All Purchasers and Unit Owners and any future transferees of Unit Owners take subject to all the provisions herein as to Parking Charges (as well as to all other provisions of this Master Deed and other governing documents), and no amendment, change or alterations to the Parking Charges provisions shall be made by any Council or Board, in any manner or by any means whatsoever, without the prior written consent of Developer, its successors or assigns. It is the express intent of this Master Deed that Parking Charges constitute a debt due solely to Developer.

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- (g) A late charge of Five (5%) Percent on the installment due shall be paid to Developer on monthly Parking Charges more than fifteen (15) days past due.
- (h) Payment of Parking Charges shall not be withheld or abated for any Unit except during the period of time that such Unit is under foreclosure proceedings by a first mortgage. Any period and amount of such abatement shall extend the maturity date of the Parking Charges by the time of the abatement with the abated amount of payments added during the extension on a monthly payment basis.

However, a mortgagee holding a first mortgage on any Unit or Units shall not be required to pay Parking Charges during the time it is the owner of any Unit by reason of the taking of title thereto by any foreclosure or a deed in lieu thereof. However, the provisions of this paragraph shall be inoperative should a mortgagee elect to retain title or lease said Unit, and in such event the mortgagee shall pay Parking Charges.

Any sale of a Unit under a foreclosure proceeding or a deed in lieu thereof shall be sold or conveyed subject to Developer's lien for Parking Charges, (inferior to the lien of the first mortgagee).

- (i) A Unit Owner shall not permit any other person, association, or firm to use or become an assignee by sale, lease, permission, or otherwise to use any Indoor Parking Stall assigned to such Unit Owner, except in connection with the sale of a Unit or lease of an entire Unit by a Unit Owner, in which event the rights to the Indoor Parking Stalls exclusively assigned to that Unit pass with the sale or lease as herein provided. It is provided, however, that after three (3) years after Developer's transfer of control (but not before), a Unit Owner may sell, transfer, lease, or assign his rights to Indoor Parking Stalls to another Unit Owner, separately from the sale or lease of a Unit.
- (j) Forbearance or failure of Developer or Board to strictly or timely enforce any of its rights regarding Parking Charges, shall not constitute any waiver or estoppel on the part of Developer or Board, and Developer or Board may, at any time, enforce any of their past or future rights regardless of any past forbearance or failure to enforce. Obligations to pay Parking Charges are absolute and continue notwithstanding any procedural or administrative errors or omissions with reference thereto. All of Developer's rights to enforce Parking Charges due Developer, may be enforced cumulatively, or alternatively, and the pursuance of any

right does not waive Developer's rights to pursue the enforcement of any other right.

- (k) The deed from Developer for a Unit to which Indoor Parking Stalls have been exclusively assigned, or a later assignment by Developer of an Indoor Parking Stall(s) to a Unit Owner, shall set forth the Indoor Parking Stall exclusively assigned to such Unit, and shall also set forth the lien retained by the Developer on the Unit for Parking Charges, which lien shall be stated in the deed or assignment to be inferior to the lien of the mortgagee holding the first mortgage on the Unit.

(5) If a Purchaser fails to exercise either Option (i) or Option (ii), in the manner and within the time stated above, Developer shall then assign only one (1) Outdoor Parking Space to a purchaser of a Unit for that Unit, which Outdoor Parking Space shall be assigned exclusively for the use of the Unit purchased, and said Outdoor Parking Space shall be located as assigned by Developer. The Developer shall, when said Outdoor Parking Space is assigned by it, file with the records of the Board the name of the Unit Owner and Unit to whom the Developer has granted the exclusive use of said Outdoor Parking Space, which record shall be conclusive upon the Board and all Unit Owners as to the rights of the Unit Owner designated in such instrument. The assignment of said exclusive use of an Outdoor Parking Space shall be a Limited Common Area of the Unit to which the Outdoor Parking Space is assigned.

Such exclusive assignment of an Outdoor Parking Space shall pass to all future owners of the Unit to which the assignment is made, even though not expressly mentioned in the document passing title to the Unit. The Board may prescribe such rules and regulations with respect to such Outdoor Parking Spaces, including the requirement that such exclusive use and possession encompass the obligation to clean the Outdoor Parking Space as an expense of the Unit Owner rather than as a Common Expense.

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(6) Notwithstanding that a purchaser of a Unit may not have exercised Option (i) or Option (ii), this shall not preclude the Developer and a Unit Owner, who has not exercised either of said Options, from later entering into a mutual agreement for the sale and grant of Indoor Parking Spaces to a Unit Owner in accordance with all the provisions of this Master Deed relating thereto, however, Developer's right to do so shall expire three years after Developer's transfer of control. If a Unit Owner and Developer do so mutually agree to the sale and grant of Indoor Parking Stalls after the said Options lapse, the Outdoor Parking Space previously assigned to that Unit Owner shall automatically no longer be assigned to, or be a Limited Common Element of that Unit Owner, or that Unit, and that Outdoor Parking Space shall then be an unassigned Outdoor Parking Space, (anything to the contrary herein contained notwithstanding) and subject to later assignment by Developer for a period of three years ending after Developer's transfer of control, in which event the Outdoor Parking Space shall be a Limited Common Element of the Unit to which it is reassigned.

(7) Anything to the contrary notwithstanding contained in this Master Deed and Bylaws of the Council, and if at the time the Developer has sold and conveyed all Units, including Units that have been built on Section 2 there remains any Indoor Parking Stalls, the exclusive use of which have not been sold and assigned by Developer, then for a period of three (3) years after Developer has sold and conveyed all Units, including Units that have been built on Section 2, the Developer shall have the option, without consent of any other party, to accomplish the following without obstruction by the Council, Board, or Unit Owners:

To declare all unassigned Indoor Parking Stalls to be permanently designated as a General Common Area to be used for non-vehicular storage or other non-vehicular use (parking or otherwise).

This option shall be exercisable by Developer furnishing written notice to the Board within said sixty (60) day period.

If after the Developer exercises said option, the Board, Council, or any Unit Owner uses one or more Indoor Parking Stalls for vehicular parking, for any period of time whatsoever, at any time whatsoever (even after the time that Developer has sold and conveyed all Units), then the Council shall be deemed to have immediately purchased such Indoor Parking Stall or Stalls under the price, terms and conditions of Option (i) hereinbefore stated, and under all provisions pertaining to a purchase under Option (i), except that the Parking Charges as to such imputed purchases shall be payable by the Council through the Board, the purchase price to be assessed as a Common Expense, the lien therefor being in favor of the Developer.

Developer shall at all times have the right to inspect the Indoor Parking Stall Areas, and shall have a right to have a key thereto which key shall be furnished by the Board.

M. Manager's Unit. One of the Units shall be set aside as the Unit for the Resident Manager of the Regime, and said Unit is designated as Unit 47 in Building "B." Said Unit shall be sold and conveyed by Developer to Royal Coach, Inc., representing the Council before, or at the time of Developer's transfer of control. Before the Developer sells and conveys the Manager's Unit, Developer shall obtain financing for the purchase by Royal Coach, Inc., of said Unit at any lending institution at prevailing rates. Said loan, and mortgage securing the loan, shall be assumed by Royal Coach, Inc., as an indebtedness of the Council. Royal Coach, Inc., the Council or the Board, or any Unit Owner shall not be entitled to claim any refund or credit

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from Developer by virtue of any payment made on the mortgage covering the Manager's Unit by claiming that mortgage payments were made out of Common Expenses, or based on any other claim.

The sale price of said Unit shall be \$77,900.00, and the difference between the outstanding mortgage indebtedness and the sale price shall be paid in cash, or equivalent, to Developer. Each Unit Owner shall be assessed \$250.00 per Unit, payable to Developer upon a purchaser becoming a Unit Owner, to defray the difference between the mortgage indebtedness and sale price. Any surplus resulting from said assessment shall be funds of the Regime. Said Manager's Unit shall not be assessed for monthly maintenance or assessments, nor shall said Unit have a vote as long as it is owned by Council or Royal Coach, Inc. In the event of foreclosure of the manager Unit or a deed in lieu thereof, or if the Council at a later date by at least an eighty-five (85%) percent approval of all the Unit Owners in the Regime, decide to convert said Unit from that of a resident manager's Unit and desires to sell same as a residential Unit, the voting right shall be automatically restored and the Unit shall be assessed its proportionate share of maintenance and assessments thereafter levied, and said Unit and the owner thereof shall then be subject to the same rights and liabilities as any other Unit Owner. Nothing, however, shall be done to prejudice the rights of a mortgagee on said Manager's Unit if it is sold as any other Unit may be sold.

Upon the Manager's Unit being sold to the Council, Developer shall sell and assign to the Council the exclusive use of two (2) Indoor Parking Stalls for the Manager's Unit. The sale price and all other terms and conditions of the sale (including, but not limited to, the parking charges and lien against the Manager's Unit) shall be the same as if the Council were any other Unit Owner who acquired the exclusive use of two Indoor Parking Stalls under Option (i) hereinbefore, and subject to all

other payment provisions, terms, and conditions contained in this Master Deed pertaining to Parking Charges.

Until such time as the Manager's Unit may be re-sold and re-conveyed by the Council, the Board shall assess each Unit Owner, according to his percentage of interest, as a Limited Common Element expense for the Parking Charges attributable to the Manager's Unit. It is provided, however, that the lien for the Manager's Unit assessment in favor of the Developer shall be against the Manager's Unit only.

N. Use of Entrance Roadway. Unit Owners shall have a free and uninterrupted means of access on and over any part of the main roadway leading to Hubbards Lane, which roadway (now known as Coach Gate Wynde) was established in Master Deed for Coach Gate, recorded as set forth in the following paragraph.

The administration, maintenance, repair, and the letting of contracts with reference to said roadway shall be as explicitly set forth under paragraph 2 of the Master Deed for Coach Gate, of record in Deed Book 4842, Page 830, in the Office of the Clerk of the County Court of Jefferson County, Kentucky. Developer hereby elects to use the said roadway (now known as Coach Gate Wynde) established in said Master Deed for Coach Gate.

O. Restrictions and Use and Occupancy of Units, Common Areas and Facilities. The Units and the General Common Elements and Limited Common Elements shall be subject to the following restrictions, which restrictions shall be permanent:

(1) The Units shall be used only for 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, or any Regime rules which may be adopted from time to time by the Board as to the use and appearance of the Units and the Limited Common Elements and General Common Elements. Notwithstanding this residential restriction, the

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Developer shall be permitted to use unsold Units as models or sales offices.

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(2) No industry, business, trade, occupation or profession of any kind, nor commercial, religious, educational, or other use, designed for profit, altruism, or otherwise shall be conducted, maintained, or permitted on any part of the property. No "For Sale" or "For Rent" signs, advertising, or other displays shall be maintained or permitted on any part of the property. The right, however, is reserved by Developer or its agent or agents to place "For Sale", "For Rent", or directional or general information signs on any unsold or unoccupied Units and on any part of the General or Limited Common Elements, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee.

(3) There shall be no obstruction of the General or Limited Common Elements, nor shall anything be stored in the General or Limited 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 Unit, his windows and doors, and the patio or balcony, which are Limited Common Elements reserved for the use of his Unit, in good, clean order and repair. Patio and balcony repairs are Common Expenses.

(4) Nothing shall be done or kept in any Unit or Indoor Parking Stalls or Outdoor Parking Spaces or in the Common Elements which will increase the rate of insurance on the property or contents thereof applicable for residential use, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit, Indoor Parking Stalls or Outdoor Parking Space, or in the 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 General Common Elements or Limited Common Elements, or on the Property.

(5) Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the building, and no sign, awning, canopy, shutter, or radio or television antenna shall be affixed to or placed upon the exterior walls or roof of any part thereof, without the prior written consent of Developer or the Board.

(6) No animals, rabbits, livestock, fowl, or poultry of any kind shall be raised, bred, or kept in any Unit or in any part of the property, except that dogs under sixteen pounds, cats, or other household pets may be kept in Units subject to rules and regulations adopted by the Board, provided that they are not kept, bred, or maintained for any commercial purpose, and any pet permitted under this section when outside the confines of the Owner's Unit must be kept on a leash and accompanied by a responsible person; and provided further that such pet creating or causing a nuisance or unreasonable disturbance shall be permanently removed from the property upon three (3) days' written notice from Developer or the Board. All dogs, cats, or other pets so allowed shall be carried by owner while in corridors, lobbies, or any other inside common areas. At no time shall there be more than one (1) animal per Unit kept therein, either temporarily or permanently.

(7) No noxious or offensive activity shall be carried on in any Unit or on the Property, nor shall anything be done therein or thereon, either wilfully or negligently which may be or become an annoyance or nuisance to the other Unit owners or occupants, or constitute a waste at common law, or be in violation of any law.

(8) Nothing shall be done in any Unit or in, on, or to the Common Elements which will impair the structural

integrity of the building or which would structurally change the building, except as otherwise provided herein.

(9) No clothes, sheets, blankets, laundry of any kind, or other articles shall be hung out or exposed on any part of the Common Elements. The General Common Elements and the Limited Common Elements shall be kept free and clear of rubbish, debris, and other unsightly materials.

(10) There shall be no playing, lounging, parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches, chairs, or other personal property on any part of the General Common Elements or Limited Common Elements without the prior consent of and subject to any regulations of Developer or the Board.

(11) Nothing shall be altered on, constructed in, or removed from the General Common Elements or Limited Common Elements, except upon the written consent of Developer or the Board. Developer reserves the right to erect storage spaces and barricades and make alterations to Indoor Parking Stalls or Outdoor Parking Spaces not specifically assigned to Unit Owners. This right shall exist for three (3) years after Developer's transfer of control. After an Indoor Parking Stall or Outdoor Parking Space is specifically assigned by Developer, the Stall or Space may be altered if agreed to in writing between Developer and Unit Owner to which the Stall or Space is assigned.

(12) Heating and air-conditioning for hallways or corridors will be provided with a duct from each Unit furnace connected by a register and shall not be hampered or disconnected by a Unit Owner in any way.

(13) The moving in or out of furniture, furnishings, and other personal contents shall be through an area so designated or assigned but in no event through the front entrance doors at the foyer or lobby.

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(14) Drapery backing (which is visible from the outside) shall be an "off-white" color and shall be subject to prior approval by Developer or the Board.

(15) Locks on all entrance doors to each Unit shall not be changed (nor locks added to) without first obtaining permission from Developer or the Board.

(16) All garbage, be it wet, solid, or otherwise, must be placed in plastic bags securely fastened before disposing of same in the garbage disposal chutes.

(17) There shall be no parking of any automobile, bicycle, or any other vehicle in any driveway. Further, there shall be no parking under any portico except for the loading and unloading of passengers.

(18) There shall be no washing, waxing, or cleaning of any automobile upon any area of the General Common Elements, nor shall there be any mechanical work performed upon any automobile on any area of the General Common Elements including that area within the Indoor Parking Stalls or Outdoor Parking Spaces.

P. Sale, Leasing, Or Other Alienation.

(1) Any Unit Owner, other than Developer or a mortgagee of a Unit who has acquired title thereto in lieu of or through foreclosure, who wishes to sell or lease his Unit (or any lessee of any Unit wishing to assign his lease or sublease such Unit) to any person, firm, association, or corporation shall deliver to the Council or to Developer, if before Developer's transfer of control, no less than fifteen (15) days' prior written notice of any such sale, lease, assignment, or sublease, setting forth in detail the price, and terms of any contemplated sale, lease, assignment, or sublease, which notice shall specify the name and address of the proposed purchaser, assignee, or lessee. Said notice shall be dated and signed by the Unit Owner desiring to sell and shall be deemed delivered to the Council

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only if mailed to the President of the Board by Certified or Registered mail, properly addressed, Return Receipt Requested, or if personally delivered to any member of the Board. If such notice is given prior to Developer's transfer of control, said notice shall be deemed given to Developer only if sent to Developer by Registered or Certified Mail, return receipt requested, or personally delivered to Developer. Unless waived, the Council, or Developer, as the case may be, shall have the first right and option to purchase or lease such Unit upon the same price and terms as set forth in the notice, which option shall be effective for a period of thirty (30) days after receipt of said notice. If the Council or Developer, as the case may be, does not exercise the option within said thirty (30) day period, the Unit Owner (or lessee) may, at the expiration of said thirty-day period, sell or lease (or sublease or assign) such Unit to the proposed purchaser, assignee, or lessee named in such notice upon the terms and price specified in the notice, or at a price and terms no more favorable to the Purchaser, or lessee, than stated in the notice.

(2) In the event any Unit Owner shall default in the payment of any monies required to be paid under the provisions of any mortgage or trust deed against his Unit, the Council shall have the right to cure such default by paying the amount so owing to the party entitled thereto, and shall thereupon and therefor have a lien therefor against such Unit, which lien may be foreclosed in like manner as a mortgage of real property.

(3) The Council shall not exercise any option hereinabove set forth to purchase or lease any Unit without written consent of seventy-five (75%) percent of all Unit Owners. The Council through its duly-authorized representatives may bid to purchase at any auction or sale the Unit or interest therein of any Unit Owner, deceased or living, which said sale is

held pursuant to an order or direction of a court, upon the prior written consent of seventy-five (75%) percent of the Unit Owners, which said consent shall set forth a maximum price which the Council is authorized to bid and pay for said Unit or interest therein. Developer is not required to have consent of any Unit Owners or any other party, if Developer exercises the option.

(4) If the Council or Developer does not exercise any of the options contained in this Section, said option shall be deemed to have been released and waived.

(5) A certificate executed by the president, secretary, or treasurer of the Council stating that the provisions of this Section as herein set forth have been met by a Unit Owner or duly waived by the Council, and that the rights of the Council hereunder have terminated as to that specific Unit, shall be conclusive upon the Council and the Unit Owners in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of this Section, and who has requested such certificate.

(6) The terms of this Section shall not be applicable to the transfer by gift, testate or intestate succession or operation of law; nor to the sale of the interest of a co-owner of any Unit to any other co-owner of the same Unit, where such co-owners hold title to such Unit as tenants in common or as joint tenants.

(7) Where title to any Unit is held by a trust, the assignment, sale, conveyance or other transfer by a beneficiary of such trust of his or her beneficial interest in such trust (other than as security for a bona fide indebtedness) shall be deemed an assignment, sale, conveyance, or other transfer of the Unit owned by such trust.

(8) Where title to any Unit is held by a corporation, or a partnership, the transfer of fifty (50%)

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percent or more of the issued and outstanding shares of such corporation, or of fifty (50%) percent or more of the interest in such partnership, shall be deemed a transfer of the Unit owned by such corporation or partnership.

(9) Acquisitions of Units or interest therein under the provisions of this Section, other than acquired by Developer, shall be made from the maintenance or Common Expense fund. If said fund is insufficient, the Board shall levy a special assessment against each Unit Owner in the ratio that his percentage of ownership in the Common Elements bears to the total of all such percentages, which assessment shall become a lien upon each such Unit and may be foreclosed in like manner as a mortgage of real property. The Council may borrow money to finance the acquisition of a Unit or interest therein which said acquisition is authorized by this Section; provided, however, that no financing may be secured by an encumbrance or hypothecation of any portion of the property other than the Unit or interest therein to be acquired.

(10) Units or interest therein acquired pursuant to the terms of this Section, other than acquired by Developer, shall be held of record in the name of the Council or such nominee or entity as the Board shall designate, for the use and benefit of all the Unit Owners in the same proportion that the Board could levy a special assessment under the terms of sub-paragraph (9) hereof. Said Units or interests therein shall be sold or leased by the Council for the benefit of the Unit Owners upon such price and terms as the Board shall determine. All proceeds of such sale and/or leasing shall be deposited in the maintenance or Common Expense fund and may thereafter be disbursed to Unit Owners at such time and in such manner as the Board shall determine, provided the disbursement is according to the percentage of ownership in the Common Elements.

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Any Units acquired under this Section by Developer, shall be owned, held or sold for Developer's own account, but may be sold by Developer without any first option to Council to purchase said Unit.

Q. Security. Developer has provided a security system within the Regime, Coach Gate, and Coach House, (Coach Gate and Coach House being neighboring Regimes), consisting of a gate house and equipment therein. The control, supervision, management, expenses, and administration of said security system is vested in the Council of "Coach Gate"; and further, all security as pertains to the Regime shall be subject to the terms and conditions as set forth pertaining to security in Section 12-A of both Master Deeds for Coach Gate and Coach House, which Master Deeds for Coach Gate and Coach House are recorded in Deed Book 4842, Page 830, and Deed Book 4952, Page 611, respectively, in the Office of the Clerk of the County Court of Jefferson County, Kentucky. More specifically, and without limitation, there shall be treated as a Common Expense of the Regime a pro-rata share of any future expense pertaining to guards who may be hired by Coach Gate, and for any security equipment and maintenance and repair thereof, benefitting the Regime, but not necessary exclusively for the Regime.

Developer, until Developer's transfer of control, reserves the right to make changes, additions, or alterations to the security system without the consent or approval of any other party.

R. Violations. The violation of any restriction, condition, Bylaw or rule adopted by the Council or Board, or the breach of any covenant or provision contained in this Master Deed or contained in the Act, shall give the Board the right, in addition to any other rights provided for in this Master Deed, Bylaws of the Council, or by the Act, (a) to enter the Unit or any portion of the property upon which, or as to which, such

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violation or breach exists, and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing, or condition that may exist thereon contrary to the intent and meaning of the provisions hereof; and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach. Furthermore, if any Unit Owner (either by his own conduct or by the conduct of any other occupant of his Unit) shall violate any of the covenants of this Master Deed or the regulations adopted by the Board and such violation shall continue for thirty (30) days after notice in writing or shall re-occur more than once thereafter, then the Board shall have the power to issue to the defaulting Unit Owner a ten (10) day notice in writing to terminate the rights of said defaulting owner to continue as Unit Owner and to terminate his right to continue to occupy, use, or control his Unit. Thereafter, an action in equity may be filed by the Council against the defaulting Unit Owner for a decree of mandatory or other 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 the Unit owned by him on account of the breach of covenant and ordering that all the right, title, and interest of the Unit Owner in the property shall be sold at a judicial sale upon such notice and terms as the Court shall establish, except that the Court may enjoin and restrain the defaulting Unit Owner from re-acquiring his interest at such judicial sale or by virtue of the exercise of any right of redemption which may be established. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, and all other expenses of the proceedings and sale, and all such items shall be taxed against the defaulting Unit Owner in said decree. The balance of proceeds after



satisfaction of such charges shall be first applied to any first mortgages, secondly to attorneys' fees and other liens in accordance with law, and thirdly to the Unit Owner. Upon the confirmation of such sale, the purchaser thereof shall thereupon be entitled to a deed to the Unit and immediate possession of the Unit sold and may apply to the Court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any sale, and the decree shall so provide, that the purchaser shall take deed to the property sold subject to this Master Deed and the Parking Charges as set forth herein.

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S. Administration Of Regime.

(1) The administration of the Regime shall be governed by Bylaws approved and adopted by the Council, as said Bylaws may be amended, from time to time. 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 and anything to the contrary in this Master Deed or Bylaws notwithstanding, the administration, and control of the Regime and Property, including, but not limited to, the adoption and amendment of Bylaws, adoption of Regime rules, assessment of Common Expenses, and all other rights relating to the governing, managing and administration of the Regime and Property, and all rights and powers which would otherwise be vested in the Council or Board, shall be all vested in the Developer alone (notwithstanding specific references in this Master Deed or Bylaws to "Council," "Board," "Unit Owner," or "Unit Owners") until thirty days after all Units, including Units built on Section 2, have been sold and conveyed by Developer, or until the Developer elects in writing to surrender this power to the Council, or until January 1, 1990, whichever

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first occurs. Until that time, the Developer shall possess the irrevocable proxy of the Unit Owners in connection with all matters relating to the government, management, and administration of the Regime and Property, 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. Thirty days after the sale and conveyance of all Units, including Units built on Section 2, or the Developer electing in writing to surrender its power to the Council, or the date of January 1, 1990, whichever first occurs, the Administration of the Regime shall be vested in the Council, exclusive of the Developer, except as otherwise provided herein. Such time of the administration of the Regime being vested in the Council, exclusive of the Developer, (except as otherwise provided herein) is herein referred to as "Developer's transfer of control." Until Developer's transfer of control, the Unit Owners, acting by or through any means or group whatsoever, shall not interfere with Developer's management, control, or administration of the Property or Regime, or do anything to adversely impair the Developer's sale of Units.

(2) Administration of the Regime, including, but not limited to, the use, maintenance, repair, replacement and restoration of the Common Elements, and any additions and alterations to them, shall be in accordance with the provisions of the Act, (except as otherwise provided herein) this Master Deed, the Bylaws of the Council, and all Regime Rules adopted by the Board. Specifically, but without limitation, the Council through the Board shall:

- (a) Make, build, maintain and repair all improvements in and part of the Common

Elements which may be required by law, or for proper operation and maintenance, to be made, built, maintained and repaired upon, adjoining, in connection with, or for the use of any part of the Regime or Property.

- (b) 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.
- (c) 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 and maintained by the Council.
- (d) Except as may be otherwise provided herein, in the Bylaws and Regime rules, keep all Limited Common Elements in a clean and sanitary condition and well and substantially repair, maintain and keep them in good order and condition.
- (e) Observe any setback lines affecting the Regime as shown on the plans herein mentioned.
- (f) Not make or suffer any waste or unlawful, improper or offensive use of the Regime or Property.

(3) Administration of the Regime, after Developer's transfer of control, shall be conducted for the Council by the Board (the Developer having all the rights and powers of the Council and Board prior to Developer's transfer of control), which Board shall be elected by the Council in accordance with the Bylaws of the Council. 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 three years in duration and may be cancellable by

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the Board at any time by prior written notice, and the managing agent or administrator being subject to control by the Board.

It shall be the duty of the Board to determine annually, after the Developer's transfer of control, and subject to the approval by a majority of the Council, the estimated Common Expenses of the Regime for the succeeding twelve months, 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 last prior period shall remain in effect, subject to the right of the Board to make additional assessments for Common Expenses which are necessary but which were unanticipated.

(4) Anything to the contrary contained in this Master Deed or in the Bylaws of the Council, notwithstanding, the Council, Board, or Unit Owners shall not have any right to take any action, including, but not limited to, amendment of Bylaws of the Council, to impair or adversely affect, or change, Developer's rights with reference to Parking Charges, or other matters, as herein contained, without Developer's prior written consent.

(5) Developer has heretofore caused the formation of a Kentucky non-stock, non-profit corporation, which corporation is named "Royal Coach, Inc.", to act for and on behalf of the Council in the administration and operation of the property and the Regime. The Owner of each Unit shall be a member of such corporation, which membership shall terminate upon the sale or other disposition by such member of his Unit, at which time the new Unit Owner shall automatically become a member of such corporation. The membership and voting rights in such corporation are the same as membership and voting rights established for the Council by this Master Deed or by the Act. The Board of Directors of Royal Coach, Inc., shall be the same

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Board as the Board as defined herein, and the members of Royal Coach, Inc., shall be the same as the Council.

(6) Any administrative or governing powers, and duties, granted in this Master Deed to the Council, Board, or Developer, shall also be considered Bylaws of the Council, without limiting the rights of the Council to adopt separate and additional Bylaws and adopt amendments thereto.

(7) Except as to actions or approvals by the Council or Board requiring actions or approvals by more than a majority of the Council or Board as specifically set forth elsewhere in this Master Deed or in the Bylaws, the action or approval of the Council or Board, shall be action or approval taken by at least a majority of the Council or Board. Majority means action or approval by at least fifty-one percent (51%) or more of the Council or at least fifty-one percent (51%) of the members of the Board, as the case may be.

Where a Unit is jointly owned by one or more persons, the vote for that Unit may be cast by one of the joint or Common owners. Where the joint or Common owners of one Unit cannot agree on a vote, the vote applicable to that Unit shall be divided pursuant to ownership interest. Unit Owners shall be entitled to vote at Council meetings in person or by written proxy. Each Unit Owner, as defined in Section A(6), shall be entitled to one vote.

T. Assessment For Common Expenses;

Developer's Exclusion and Transfer of Control. Each Unit Owner shall pay to the Board, in advance, on the first day of each month, the assessments against his or her respective Unit for Common Expenses and other appropriate charges in accordance with this Master Deed and Bylaws of the Council.

Anything to the contrary contained in this Master Deed or in the Bylaws of the Council, notwithstanding, until Developer's transfer of Control, the Developer shall not be

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liable for the payment of any assessment, monthly or otherwise, for Common Expenses, reserve accounts, or other Regime assessments, and the Units owned by Developer (prior to Developer's transfer of Control) shall not be subject to any lien therefor, and Developer shall not have any liabilities of a Unit Owner. The Developer shall, however, until Developer's transfer of control, be responsible for the determination and maintenance cost of the Regime, incurred over and above assessments or amounts paid by Unit Owners for Common Expenses and other appropriate charges. The Developer shall be entitled to a reasonable management fee for services rendered prior to the time of Developer's transfer of control.

The date of Developer's transfer of control as established herein, shall be the effective date, regardless of whether or not the Council or Board acquiesces in said date, or acts inconsistently with said date.

Any rights of Developer which have accrued prior to Developer's transfer of control shall survive Developer's transfer of control and be enforceable thereafter.

Prior to and at time of Developer's transfer of control, Developer shall be reimbursed by Council for the fair market value of any personal property for the Regime paid for by Developer and turned over to Council, and the cost of any materials or supplies on hand paid for by Developer and turned over to Council, and for any expenses for the Regime pre-paid by Developer, but allocable to a time after Developer's transfer of control.

If at or pursuant to the closing of a sale and conveyance of a Unit from Developer to a Purchaser of a Unit, the Developer is reimbursed by Purchaser for any costs or expenses paid or incurred by the Developer with direct or indirect reference to the Unit sold, such reimbursement shall belong to

the Developer alone, and a Unit Owner, the Council or Board shall not have any claim against the Developer therefor.

U. Waiver of Use of Common Elements. No Unit Owner may except himself from liability for his contribution towards the Common Expenses or any other assessment by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit or non-use of his Unit.

V. Unpaid Common Expenses Constitute Lien. Unpaid Common Expenses shall constitute a lien on the Unit of the delinquent Unit Owner, 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, its Administrator or agent, acting on behalf of the Council, in like manner as a mortgage of real property, provided that at least thirty days' advance written notice of intention to sue to enforce the lien shall be mailed, postage prepaid to all persons having an interest of record 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 or right to enforce the lien. During the pendency of any action to enforce such lien, the Unit Owner shall be required to pay a reasonable rental for the Unit, and the plaintiff shall be entitled to appointment of a receiver to collect same.

W. Acquisition at Judicial Sale. Where the mortgagee acquires ownership of any Unit as a result of the judicial enforcement of the mortgage, or by deed in lieu thereof, such Unit shall no longer be subject to a lien for unpaid assessments

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for Common Expenses which become due prior to such acquisition of title, except where such lien rights may be asserted against surplus proceeds of the judicial sale. Provided, however, that if the Mortgagee or other mortgage holder leases or re-sells said Unit, the Mortgagee or other mortgage holder, in the event of leasing, and the grantee thereof, in the event of sale, shall then be subject to assessments for Common Expenses, as provided in this Master Deed, and a lien upon its Unit if said assessments are unpaid.

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X. Insurance. The Board shall obtain and at all times maintain 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 or Board'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 Master Deed 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 obtain separate 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 such Unit Owner's Unit, or in another Unit in the Regime or upon the Common Elements resulting from the negligence of the insured Unit Owner, in such amounts as shall from time to time be determined by the Board but in no case less than One Hundred Thousand Dollars (\$100,000.00) for each occurrence. The Board and the Unit Owners shall use their best efforts to see that all property and liability insurance carried



by a Unit Owner or by the Council shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claim against the Unit Owners or the Council or Board and the respective employees, agents and guests of the Unit Owners, as the case may be.

(2) All buildings, Units, improvements, personal property and other General and Limited Common Elements of the Regime shall be insured against fire and other perils covered by a standard extended coverage endorsement, or other protective clauses, 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. 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.

(3) The Board shall use its best efforts to see that the liability insurance carried by the Council shall contain cross-liability endorsements or appropriate provisions to cover liability of the Unit Owners, individually and as a group, arising out of their ownership interests in the Common Elements, to another Unit Owner.

(4) All premiums upon insurance purchased by the Board shall be Common Expenses.

(5) Proceeds of all insurance policies owned by the Council shall be received by the Board for the benefit 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 provided by this Master Deed or the Bylaws.

(6) Each Unit Owner shall be deemed to appoint the Board as his true and lawful attorney in fact to act in

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connection with all matters concerning the maintenance of the master policy. Without limitation of 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 repair or replace damaged property, to execute releases of liability and to execute all documents and to do all things on behalf of such Unit owners and the Council 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. The Board shall not be responsible for procurement or maintenance of any insurance covering the contents or the interior of any Unit or the liability of any Unit Owner for injuries therein, not caused by or connected with the Council's or Board's operation, maintenance or use of the Regime.

Y. Damage and Reconstruction After Casualty. If a building in the Regime becomes damaged or destroyed by casualty, whether or not it shall be reconstructed shall be determined in the following manner and be subject to the following provisions:

- (1) If the building is less than two-thirds (2/3) destroyed, reconstruction shall be compulsory.
- (2) If the building is two-thirds (2/3) or more destroyed, then reconstruction shall be compulsory, unless at least seventy-five percent (75%) of the Unit Owners and at least eighty-five percent (85%) of the Mortgagees holding first mortgages against the Units agree in writing within sixty (60) days of the destruction, that the building shall not be reconstructed. If such an agreement is entered into requiring that the building not be reconstructed, the insurance proceeds shall be paid to the Board on behalf of the Council, and to the Mortgagees holding liens against the Units, and to Developer (if

before Developer's transfer of control), as their interests appear. The Council, through the Board, or Developer (if before Developer's transfer of control), shall sell the Property in its entirety for a price based upon the average appraisal of two M.A.I. appraisers in Jefferson County, Kentucky, the cost of said appraisal to be a Common Expense. The net sale proceeds, which shall be common assets of the Regime shall be first paid to Mortgagees holding first mortgages against Units (not previously paid from insurance proceeds), and secondly paid to the Developer for past due and future Parking Charges as set out in Section L of this Master Deed and for the other interest of Developer in the Property, and thirdly to other lienholders, as their interests appear. Said application of net sale proceeds shall be deducted respectively from each Unit Owner's share of the net sale proceeds, the remainder being payable to the respective Unit Owners, in accordance with their percentage of ownership in the Common Elements after first distributing to the Unit Owners having Indoor Parking Stalls, their fair and reasonable share of the unamortized portion of Indoor Parking Stalls based upon the acquisition price and a reasonable life. After said sale and distribution, the Regime shall terminate.

It shall be the responsibility of each Unit Owner, (and not the Council or Board) to pay for and obtain individually his own insurance coverage for loss or damage to improvements or betterments to a Unit made or contracted for by the Unit Owner (as differentiated from standard Units sold by Developer). Any proceeds from such insurance shall belong to the individual Unit Owner, and shall not be Common Assets of the Regime.

(3) If the building is reconstructed, Parking Charges, as to Units affected, may be deferred during the period of reconstruction, said Parking Charges to recommence as to each respective Unit, from the date of that Unit's re-occupancy, but under any circumstances, said deferral of Parking Charges shall

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not exceed a period of twelve (12) months in the event of damage or destruction. The deferral time and amount for Parking Charges, as provided in this Section, when once determined, shall extend the term and amount of the Parking Charges by a like period.

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(4) If the proceeds of insurance are not sufficient to defray the costs of reconstruction, and repair, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair are insufficient, assessments shall be made against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such assessments against Unit Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their respective Units. Such assessments on account of damage to General Common Elements shall be in proportion to the owner's share in the General Common Elements.

(5) Anything to the contrary herein contained notwithstanding, in the event a building is more than two-thirds (2/3) destroyed before the Developer's transfer of control, the Developer alone shall make the decision of whether or not the building shall be reconstructed. If the Developer makes the decision to reconstruct, and if the net insurance proceeds received by the Developer are not sufficient to pay for the reconstruction, then the Developer shall have the same right as the Council and Board (the Developer having all rights of the Council and Board as to all matters, prior to Developer's transfer of control) to levy assessments as provided in Subsection (4) of this Section. If a building is more than two-thirds (2/3) destroyed, and the Developer does not commence to reconstruct the Building within ninety (90) days after the destruction, the provisions of this Section shall apply just as if the Unit Owners and Mortgagees made the decision not to reconstruct as provided herein.

(6) Under any circumstances, if the building is reconstructed, it shall be reconstructed substantially in accordance with the same architecture and design as the building was prior to the damage or destruction. Any unpaid first mortgage held by any mortgagee shall continue to remain effective against a reconstructed Unit just as it applied to a Unit before it was damaged or destroyed.

2. Alteration of Regime. Restoration or replacement of the Property (unless resulting from casualty destruction), or construction of any additional buildings (other than those initially contemplated in the Regime), or substantial structural alteration or addition to any building, different from any material respect on the condominium plans of the Regime, shall be undertaken by the Council only after unanimous approval by the Board, and pursuant to amendment of this Master Deed, as provided herein. The alteration is to be in accordance with completed plans and specifications approved in writing by the Board. Promptly upon completion of such restoration, alteration or replacement, the Board shall duly record the amendment with a complete set of floor plans of the Regime as so altered, certified as built by a registered architect or engineer.

AA. Maintenance Fund. The Board of Administration shall establish and pay into a Maintenance Fund all collections from the Unit Owners, assessed for and attributable to Common Expenses and other charges and shall pay from such Fund all current Common Expenses, and other appropriate expenses.

BB. Capital Replacement Fund. The Board shall establish a Capital Replacement Fund and pay into same, from month to month, a portion of Common Expense collections from the Unit Owners, which portion was budgeted for capital replacement reserves (not including recreation facilities reserves). For example, if ten percent of the Common Expense budget for that particular year is assigned to capital replacement reserves, ten

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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 DD(2), of this Master Deed, provided, however, that if the Maintenance fund is not adequate at times to pay Common Expenses, the Capital Replacement Fund may be used without waiving the Board's right to make assessments to replenish the Capital Replacement Fund. Fund balances available for investment may be invested by the Board 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.

CC. 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 percentage 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 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 percentage interests in the General Common Elements.

DD. Incurrance and Retirment of Indebtedness. The Council, by majority vote, may borrow money from time to time for the following purposes, without waiving Council's rights to levy assessments against Unit Owners for the following:

(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 (to the extent not covered by insurance proceeds) provided that the repayment of such loan can be amortized over a period not exceeding the reasonable life of the reconstruction and repairs, 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. When it is necessary to effect such a loan, the Council, acting through its Board, 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, but excluding Parking Charges, which shall not be pledged.

EE. 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, as their interests may appear, shall be entitled to receive the award for such Unit taking and, after acceptance thereof, the Unit Owner shall be divested of all interest in the Regime and Property. 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

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to the Council 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 Unit Owner, his mortgagee(s), and Developer (for Parking Charges), as their interests may appear. If Indoor Parking Stalls are taken in connection with the taking of a Unit, the Developer shall participate in the award as the Developer's interest appears.

(2) If there is any taking of any portion of the Property other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Council and/or Developer and/or mortgagee holding a mortgage against the portion taken, as their interests appear. The affirmative vote of more than 75% of the Co-owners shall determine whether to rebuild, repair or replace the portion 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 Developer for Parking Charges and the Co-owners in accordance with their respective percentages of common interest, as the interest of Developer and Co-owners appear.

(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 on behalf of the Council, 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 the percentage of the floor area of each individual Unit of the remaining floor area of the whole Property.

(4) Anything to the contrary contained in this Section EE notwithstanding, any distribution of condemnation proceeds shall be applied to the payment of Parking Charges before distribution is made to a Unit Owner or to the Council, if



Indoor Parking Stalls have been assigned to such Unit, and after Developer has been paid such Parking Charges in full, the mortgagee holding a first mortgage against such Unit shall have the right to apply the excess condemnation proceeds of Indoor Parking Stalls to the balance of the mortgage against the respective Unit.

FF. 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.

GG. Notice. Notices required or permitted to be given to the Council, the Board, the Developer, or any Unit Owner shall be deemed validly delivered only if said notice is signed and dated by the party giving said notice, and (i) if given to the Council or Board by being personally delivered to any officer of the Board, and (ii) if given to any Unit Owner by being personally delivered to the Unit Owner, or any person, firm, or association having an interest in said Unit, and (iii) if given to the Developer by being personally delivered to an officer of the Developer. In lieu of such personal delivery, the notice may be sent by Registered or Certified Mail, return receipt requested, addressed to the proper address of the party to whom said notice is given.

HH. Amendments.

(1) If, before Developer's transfer of control, it is found (i) that an error exists on the part of the draftsman of this instrument, builder, architect, or on the part of the engineer, or (ii) that a final mathematical adjustment to the percentage interests is required, or (iii) in order to have this instrument comply with any requirements of any Federal or State agencies insuring or accepting mortgages on Units, or (iv) if Developer deems in its sole discretion that such amendment would be beneficial to the Reimge as a whole, an amendment setting forth the error and correction or other amendmenet(s) may be

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filed by Developer without the consent of any Unit Owner, and shall become part of this Master Deed. The Unit Owner, by acceptance of his conveyance, appoints the Developer as his attorney in fact to execute such documents as are necessary to effect such amendment. No further change shall be made except by amendment procedures provided for herein.

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(2) After Developer's transfer of control, 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 at least eighty-five (85%) percent of the Unit Owners and by at least eighty-five (85%) percent of all first mortgagees having bona fide liens of record against any Unit. The Bylaws separately adopted as contained in the separate Bylaws document may be amended as set forth in said separate Bylaws.

(3) Any amendment, change, or modification of this Master Deed shall not be contrary to any provisions of the Act, and shall be effective upon recordation thereof.

(4) Neither this Master Deed nor Bylaws shall be amended, changed, or altered in any way that would jeopardize the rights and liens retained by Developer with reference to Parking Charges, or other rights of Developer, as set forth herein, without Developer's prior written consent.

II. Violation of Certain Rules. If any of the privileges, covenants, or rights or obligations created by this Master Deed shall be held to be unlawful or void for violation of the rule against perpetuities or some analogous statutory provision, then such privileges, covenants, rights, or liabilities shall continue only until twenty-one (21) years after the death of the survivor of the now-living lawful descendants of Notice Colston, Jr..

JJ. Severability. If any provision hereof, or of the Bylaws of the Council, or any rule promulgated pursuant thereto, or any part thereof, is declared to be in violation of any law, this shall not impair or affect in any manner the validity and

enforceability of any or all other provision of this Master Deed, Bylaws of the Council and Rules, and all of the terms hereof are hereby declared to be severable.

KK. Construction of Provisions. 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 first-class condominium Regime, to comply with the Act, and to be consistent with the Developer's rights and objectives to develop the Property and Regime, and administer same, consistent with the objective of completing and selling all Units.

LL. Headings. The headings of the sections of this Master Deed are for convenience only and do not alter or limit any of the provisions of this Master Deed.

MM. Gender and Number. The use of the masculine gender in this Master Deed shall be read in the feminine gender wherever appropriate. The use of singular or plural pronouns or nouns in this Master Deed shall be read interchangeably where appropriate.

NN. Acceptance of Master Deed. Each grantee of a Unit, by acceptance of his deed accepts it subject to all easements, restrictions, conditions, covenants, reservations, liens and charges and accepts the rights, liabilities, powers and jurisdiction created or reserved by this Master Deed, the Act, Bylaws, and Rules and any future amendments thereof. All easements, rights, benefits, covenants, liabilities and privileges herein granted, created, reserved or declared and all impositions and obligations herein imposed shall be covenants running with the Unit and shall bind and inure to the benefit of each person, firm, or association having any estate or interest in a Unit in like manner as though the provisions of this Master Deed were recited and stipulated in each deed to a Unit.

OO. Consent of Lienholder. Future Federal Savings and Loan Association (formerly Louisville Home Federal Savings and

BOOK 5298 PAGE 451

Loan Association) holder of certain mortgages on the real estate which is subject to this Master Deed, joins herein only for the purpose of consenting, and does hereby consent to the submission of the Property to a Kentucky Condominium Property Regime and to the provisions of this Master Deed, the Developer agreeing that the lien rights of Future Federal Savings and Loan Association are hereby transferred to the individual Units of the Regime.

IN TESTIMONY WHEREOF, the said Developer and Future Federal Savings and Loan Association have caused this Master Deed to be signed by the duly-authorized officer of each on their behalf, all done at Louisville, Kentucky, on the date and year first above written.

FUTURE FEDERAL SAVINGS & LOAN ASSOCIATION

ROYAL COACH CONDOMINIUM JOINT VENTURE

By:

J. Louis Hagan  
V.P.

By: COLSTON, INC.

By:

Notice Colston, Jr.  
President

By: L.H.F. SERVICE CORPORATION

By:

Terry A. Terhille  
President

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

I hereby certify that the foregoing instrument was acknowledged before me this 13<sup>th</sup> day of July 1983, 1982, by Notice Colston, Jr., as President, on behalf of COLSTON, INC., a Kentucky corporation, and by Terry A. Terhille, as President on behalf of L.H.F. Service Corporation, both of

said corporations having executed the foregoing instruments as joint venturers on behalf of ROYAL COACH CONDOMINIUM JOINT VENTURE.

My commission expires: January 31, 1983.

Helen Lee Marnet  
Notary Public,  
Jefferson County, Kentucky

BOOK 5298 PAGE 453

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

I hereby certify that the foregoing instrument was acknowledged before me this 12<sup>th</sup> day of July 1982, ~~1981~~, by J. Louis Hagan, as Vice-Pres. of Future Federal Savings and Loan Association on behalf of said Association.

My commission expires: January 2, 1983.

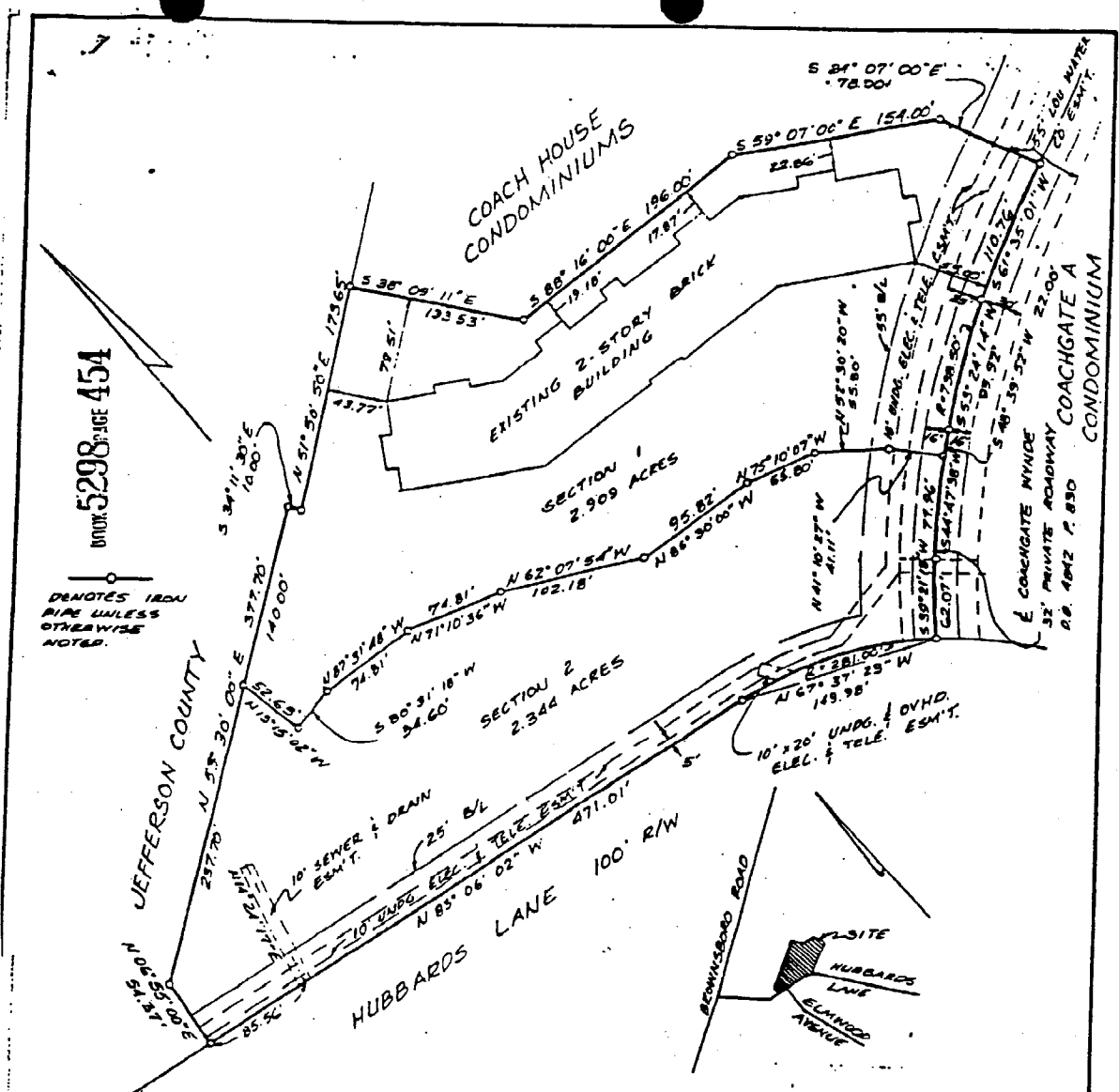
Helen Lee Marnet  
Notary Public  
Jefferson County, Kentucky

THIS INSTRUMENT PREPARED BY:

BOROWITZ & GOLDSMITH

By: [Signature]  
MORRIS B. BOROWITZ  
310 West Liberty Street  
Louisville, Kentucky 40202  
Telephone: 584-7371

2304A  
0011A  
6/24/82



BOOK 5298 PAGE 454

○ DENOTES IRON PIPE UNLESS OTHERWISE NOTED.

STATE OF KENTUCKY  
 L. L. Heiner, Jr.  
 2089  
 REGISTERED  
 LAND SURVEYOR

I hereby certify that the survey for this plan was made under my supervision and that the angular and linear measurements shown thereon are correct to the best of my knowledge and belief.

*L. L. Heiner, Jr.*  
 Surveyor  
 Land Surveyor License No. 2089

MARSH, WILSON, HEINER & LINGG, INC.  
 ENGINEERS, LANDSCAPE ARCHITECTS & PLANNERS  
 612 WEST MAIN STREET  
 LOUISVILLE, KENTUCKY 40202

NOTE: 1) DEVELOPMENT OF THIS PROPERTY WILL BE IN ACCORDANCE WITH THE DEED OF RESTRICTIONS OF RECORD IN DEED BOOK 4470, PAGE 265, IN THE OFFICE OF THE COUNTY CLERK, JEFFERSON COUNTY, KENTUCKY.  
 2) LOWEST BASEMENT OPENING MUST BE ABOVE ELEVATION 505.0

Approved this 10<sup>th</sup> day of June, 1982.  
 LOUISVILLE AND JEFFERSON COUNTY PLANNING COMMISSION  
*Charles Davis*

MINOR SUBDIVISION PLAT  
 FOR: Royal Coach Condominium Joint Venture  
 LOCATION: Jefferson County, Kentucky  
 DATE: 6-4-82 JOB NO: 389-RC  
 SCALE: 1"=100'

BOOK 5298 PAGE 454

93-82 (1)

Sheet 1 of 2

EXHIBIT "A"

WATER MANAGEMENT REVIEW

This plat has been reviewed for drainage-related considerations and the Water Management Division of the Jefferson County Department of Public Works has no objection to this plat. However, this review does not constitute any form of construction approval for work on this site.

P. Bassmeys  
Reviewed by:

6/10/82  
Date

I hereby certify that all of the lots of this minor subdivision and any existing buildings and improvements thereon and/or any buildings and improvements included in a building permit either applied for or approved thereon, are in compliance with all of the provisions of the Zoning District Regulations. Any such lots or improvements not in compliance with the Zoning District Regulations have been granted all necessary variances by the Board of Zoning Adjustment as described in Exhibit N/A

Colston inc  
\* By Notice Colston / Pass  
NOTICE COLSTON JR. OWNER

This is to certify that the undersigned is the owner of the land shown on this plat and hereby acknowledge the same to be the plat of Royal Coach Condominium

Joint Venture

Colston inc  
\* By Notice Colston / Pass  
NAME Royal Coach Condominium Joint Venture

140 South 5th St., Louisville, KY 40202  
ADDRESS

\* Pass  
TITLE

BOOK 5298 PAGE 450

State of Kentucky )  
County of Jefferson ) SS

I, Patricia M. Bell, a notary public in and for the County aforesaid, do certify that foregoing plat of Royal Coach Condominium Joint Venture was this day presented to me by Colston inc by Notice Colston / Pass, known to me, together with the Certificate of Ownership and Dedication shown thereon, which Notice Colston / Pass executed in my presence and acknowledged to be his free act and deed.

Witness my hand and seal this 9<sup>th</sup> day of June, 1982, my commission expires on 10<sup>th</sup> day of March, 1986.

Patricia M Bell  
NOTARY PUBLIC

SABAK, WILSON, HEINER & LINGO, INC.  
ENGINEERS, LANDSCAPE ARCHITECTS & PLANNERS  
300 WEST MAIN STREET  
LOUISVILLE, KENTUCKY 40202

MINOR SUBDIVISION PLAT  
FOR: Royal Coach Condominium Joint Venture  
LOCATION: Jefferson County, Kentucky  
DATE: 6-4-82 JOB NO: 389-RC



AMENDMENT TO  
MASTER DEED AND DECLARATION OF  
CONDOMINIUM PROPERTY REGIME

THIS AMENDMENT TO MASTER DEED AND DECLARATION OF  
CONDOMINIUM PROPERTY REGIME is made by and between Royal Coach  
Condominium Joint Venture and Wilford R. Hecox and Anne M. Hecox, husband  
and wife; Armand J. Essig and Elise R. Essig, husband and wife; Jane G. Flener,  
unmarried; Nathaniel L. Fine and Marion J. Fine, husband and wife; The Sovereign  
Company, Louisville Timber & Wooden Products Co., The Cumberland Federal Savings  
and Loan Association, Future Federal Savings Bank, Joe Knight, unmarried; Bill Weller  
and Dolores B. Weller, husband and wife; James H. Dunford and Margaret C. Dunford,  
husband and wife; William A. Vogt, unmarried; Lois G. Hager, unmarried; Edith Hawley,  
unmarried; Carolyn G. Salzman and Farell Salzman, husband and wife; Alma Joan  
Daugherty, unmarried.

1. Definitions - As used in this document, the  
following terms shall have the meanings shown:

1.1 "Developer" means Royal Coach Condominium Joint  
Venture, a Kentucky Joint Venture, the joint venturers of which  
are L.H.F. Service Corporation, a Kentucky corporation, and  
Colston, Inc., a Kentucky corporation, the office address of  
which Joint Venture is 140 South Fifth Street, Louisville,  
Kentucky 40202.

1.2 "Master Deed" means the Master Deed and Declaration  
of Condominium Property Regime for Royal Coach, a Condominium  
Regime, which Master Deed is recorded in Deed Book 5298,  
beginning at Page 394 in the County Clerk's Office of Jefferson  
County, Kentucky.

1.3 "Regime" means the real estate condominium project  
created by the Master Deed.

1.4 "Unit Owners" means the persons who, in addition  
with the Developer, have signed this Amendment to Master Deed and  
Declaration of Condominium Property Regime for Royal Coach, a  
Condominium Regime.

1.5 "Amendment" means this amendment to Master Deed and  
Declaration of Condominium Property Regime.

2. Purpose of Amendment - It is the desire of the Developer and Unit Owners that the Master Deed be amended in certain respects, and it is contemplated that the amendments will assist in the sale of additional units in Building "B" of the Regime to the benefit of all concerned.

3. Consideration - The consideration for the parties entering into this Amendment is the mutual desire to accomplish the purpose sought by this Amendment.

4. Amendments to Master Deed - The Master Deed is amended as follows:

4.1 There is presently one building completed within the Regime known as Building "B" consisting of thirty-two (32) units, and located on Section 1 as shown on plat filed as Exhibit "A" to the Master Deed (and recorded with the Master Deed). The Master Deed contemplated that another building, to be known as Building "A" containing thirty-four (34) condominium units might be built on Section 2 as shown on said plat filed as Exhibit "A" attached to the Master Deed.

It is understood and agreed that the said Building "A" is not required to be built by the Developer, and if it is built at any time in the future, the number of units within Building "A" need not be thirty-four (34) units, but may contain fewer or more than thirty-four (34) units, or may contain thirty-four (34) units. Under any circumstances, however, if and when Building "A" is constructed, it shall be substantially similar to Building "B" in materials and design, and shall be in conformity with present R-6 Apartment District Zoning Regulations pertaining to subject property.

4.2 Section "M" entitled "Manager's Unit," beginning with the words "One of the Units shall be set aside as the Unit for the Resident Manager of the Regime," on Page 26 of the Master Deed and ending with the words "against the Manager's Unit only." on Page 28 of the Master Deed is eliminated in its entirety, because there shall be no designated Manager's Unit in Building "B" of the Regime. Each Unit Owner who was assessed \$250.00 per

Unit as originally provided in Section "M" of the Master Deed shall have said \$250.00 refunded by the Developer within ten (10) days after all parties to this Amended have executed same.

4.3 Subsection (1) of Section "P" entitled "Sale, Leasing or other Alienation" of the Master Deed beginning with the words "Any Unit Owner" on Page 32 and ending with the words "stated in the notice" on Page 33 is hereby deleted in its entirety.

5. Sufficiency of Amendment

5.1 The Unit Owners and Developer signing this Amendment constitute at least eighty-five percent (85%) of the Unit Owners in the Regime. The Cumberland Federal Savings and Loan Association, and Future Federal Savings Bank, the Mortgagees signing this Amendment constitute at least eighty-five percent (85%) of all Mortgagees having bona fide first liens of record against any unit in the Regime.

6. Continuing Effect of Master Deed as Amended - The Master Deed as amended hereby remains in full force and effect. Any provisions of the Master Deed which may be inconsistent with this Amendment, shall be subordinate with this Amendment.

IN TESTIMONY WHEREOF, witness the signatures of the parties hereto the date shown opposite their signatures.

ROYAL COACH CONDOMINIUM JOINT VENTURE

BY: L.H.F. SERVICE CORPORATION

By: Jerry B. Bailey  
PRESIDENT

BY: COLSTON, INC.

By: Notice Colston  
PRESIDENT

PREPARED IN THE OFFICES OF  
NOTARY & PUBLIC AGENTS  
140 CO. ST. OF ST.  
LOUISIANA, NEW ORLEANS 70002  
BY: [Signature]  
EXAM

UNIT NUMBER:

UNIT OWNER:

DATE:

11	William E. Brown	2-3-85
12	John W. Brown	2-3-85
44	Ed. Brown & Son	2-3-85
44	Ed. Brown & Son	2-3-85
40	Jane B. Brown	2-3-85
35	Edna Jean Brown	2-3-85
53	William E. Brown	2-3-85
53	William E. Brown	2-3-85
36, 37, 38, 39, 41, 42, 43	EOLSTON, INC.	L.H.F. SERVICE CORP.
45, 46, 47, 48, 49, 50, 52	BY: <i>Walter Colton</i>	BY: <i>John B. Brown</i>
53, 54, 55, 56, 57, 58, 61	President	President
62, 63		2-4-85

\* 50-0 The Sovereign Company  
*W. W. Brown & Son*  
 \* 62-8 Logansville Lumber & Woodwork  
*Products Co*  
*W. W. Brown & Son*

MORTGAGEES:

THE CUMBERLAND FEDERAL S&L By: *Thomas L. McCune* Vice Pres  
 Future Federal Savings Bank By: *J. Louis Hagan* SR VICE

CONTRACTS PENDING:

UNITS  
 \* 49H - *William E. Brown* 2/28/85  
 \* 57 - *William E. Brown*, *Doris E. Brown* 2/28/85  
 \* 38 - *James H. Brown*, *Virginia E. Brown* 2/28/85  
 \* 43 - *Ray H. Brown* 2/28/85  
 \* 42 - *Leo H. Brown* 2/28/85  
 \* 54 - *Carolee D. Brown* 2/28/85 *Carroll E. Brown*  
 \* 46 - *Edith H. Brown* 2/28/85

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

I hereby certify that the foregoing instrument was acknowledged before me this 4<sup>th</sup> day of February, 1985, by Notice Colston, Jr., as President, on behalf of COLSTON, INC., a Kentucky corporation, and by Joey B. Bailey, as President, on behalf of L.H.F. SERVICE CORPORATION, both of said corporations having executed the foregoing instruments as joint venturers on behalf of ROYAL COACH CONDOMINIUM JOINT VENTURE.

My Commission expires: January 17, 1988

[Signature]  
Notary Public, State-at-Large  
Kentucky

The foregoing instrument was acknowledged before me this February 3, 1985, by: Wilford R. Hecox, Anne M. Hecox, Armond Essig, Elise R. Essig, Jane G. Fleener, Alma Joan Daugherty, Marion Fine, Nathaniel Fine.

My Commission expires: March 11, 1986

[Signature]  
Notary Public, State-at-Large  
Kentucky

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me  
this 14 Feb, 1985, by the Louisville Co by R.W. Marshall, Jr.

My Commission expires: 12 July 1987

Notary Public, State-at-Large  
Kentucky

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

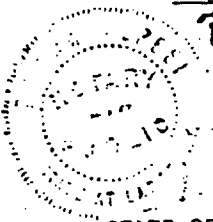
The foregoing instrument was acknowledged before me  
this 14 Feb, 1985, by the Louisville Co by R.W. Marshall, Jr.

My Commission expires: 12 July 1987

Notary Public, State-at-Large  
Kentucky

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me  
this Feb 21, 1985, by James C. ... Vice President  
of the Cumberland Federal Savings and Loan Association  
My Commission expires: 12 July 1987



Notary Public, State-at-Large  
Kentucky

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me  
this 17 Feb, 1985, by Future Federal Savings Bank  
My Commission expires: 12 July 1987

Notary Public, State-at-Large  
Kentucky

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
20th Feb day of 1985 by: James O. Knight  
My commission expires: January 17, 1988  
State at Large

Notary - State at Large

#2520a  
Disk #044A

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
21<sup>st</sup> Feb., 1985, by Bill Wether & Debra E. Wether  
My Commission expires January 17, 1988  
Jane Craig  
Notary Public, KY State at Large

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
23<sup>rd</sup> Feb., 1985, by James H. & Margaret C. Dunford  
My Commission expires January 17, 1988  
Jane Craig  
Notary Public, KY State at Large

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
2<sup>nd</sup> March, 1985, by William A. Vogt  
My Commission expires January 17, 1988  
Jane Craig  
Notary Public, KY State at Large

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
3<sup>rd</sup> March, 1985, by Lois G. Hagen  
My Commission expires January 17, 1988  
Jane Craig  
Notary Public, KY State at Large

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
4<sup>th</sup> March, 1985, by Edith Hawley  
My Commission expires January 17, 1988  
Jane Craig  
Notary Public, KY State at Large

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
4<sup>th</sup> March, 1985, by CAROLYN G & PAMEL E. SHERMAN  
My Commission expires February 17 1986  
D. D. [Signature]  
Notary Public, KY State at Large

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
\_\_\_\_\_, 1985, by \_\_\_\_\_  
My Commission expires \_\_\_\_\_  
\_\_\_\_\_  
Notary Public, KY State at Large

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
\_\_\_\_\_, 1985, by \_\_\_\_\_  
My Commission expires \_\_\_\_\_  
\_\_\_\_\_  
Notary Public, KY State at Large

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
\_\_\_\_\_, 1985, by \_\_\_\_\_  
My Commission expires \_\_\_\_\_  
\_\_\_\_\_  
Notary Public, KY State at Large

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

The foregoing instrument was acknowledged before me this  
\_\_\_\_\_, 1985, by \_\_\_\_\_  
My Commission expires \_\_\_\_\_  
\_\_\_\_\_  
Notary Public, KY State at Large

RECORDED  
AND RECORDED  
MAR - 7 PM 3:53  
PAID \$ 1 X  
BY "POP" MALONE J.C.C.  
[Signature]

END OF DOCUMENT



SECOND AMENDMENT TO  
MASTER DEED AND DECLARATION OF  
CONDOMINIUM PROPERTY REGIME  
FOR ROYAL COACH, A CONDOMINIUM

THIS SECOND AMENDMENT TO MASTER DEED AND DECLARATION OF CONDOMINIUM PROPERTY REGIME is made by and between Royal Coach Condominium Joint Venture, a Kentucky joint venture composed of L. H. F. Service Corporation and Park Townhomes, Inc.

1. DEFINITIONS - As used in this document, the following terms shall have the meanings shown:

1.1 "Developer" means Royal Coach Condominium Joint Venture, a Kentucky Joint Venture, the joint venturers of which are L. H. F. Service Corporation, a Kentucky corporation, and Park Townhomes, Inc., a Kentucky corporation, the office address of which Joint Venture is 3940 Grandview Avenue, Louisville, Kentucky, 40207.

1.2 "Master Deed" means the Master Deed and Declaration of Condominium Property Regime for Royal Coach, A Condominium, dated the 12th day of July, 1982, which Master Deed is recorded in Deed Book 5298, beginning at Page 394 in the County Clerk's Office of Jefferson County, Kentucky.

1.3 "First Amendment" means the Amendment to the Master Deed and Declaration of Condominium Property Regime pertaining to Royal Coach, A Condominium, bearing various signatory dates in February and March, 1985 recorded in Deed Book 5484, beginning at Page 190 in the County Clerk's Office aforesaid.

1.4 "Second Amendment" means the herein Second Amendment to Master Deed and Declaration of Condominium Property Regime for Royal Coach, A Condominium.

1.5 "Unit" means a Unit as defined in the Master Deed.

1.6 "Unit Owner" means a person, firm, corporation, partnership, association, trust, or other legal entity who holds a recorded deed or other instrument conveying title to a Unit. Unit Owner has the further meaning as defined in the Master Deed.

1.7 "Regime" means the condominium plan created by the Master Deed and First Amendment.

1.8 "Section 2" means the land described and designated as Section 2 on Minor Subdivision Plat attached as Exhibit "A" to the Master Deed and made a part thereof.

1.9 Other Definitions: All other terms used herein that are defined in the Master Deed shall have the same meanings herein as in the Master Deed.

## 2. PURPOSE OF SECOND AMENDMENT

2.1 The Master Deed provides for the expansion of the Regime on Section 2. Provisions are further made in the Master Deed to effectuate said expansion of the Regime. The First Amendment sets forth the number of Units that may be constructed in the expansion of the Regime. The Master Deed and First Amendment provide that the building in which the Units are to be contained in Section 2, is referred to as Building "A."

2.2 The Developer now desire that it or its successor, expands the condominium by the construction of Building "A," and Units therein, on Section 2.

3. PROVISIONS EFFECTING EXPANSION OF REGIME - The Developer, therefore, does now amend the Master Deed as follows:

3.1 The layout, location, unit numbers and dimensions of the Units which may be constructed on Section 2 are more fully

described in the floor plans thereof filed simultaneously herewith, and recorded in Apartment (Condominium) Ownership Book 38, Pages 4 through 15 in the County Clerk's Office aforesaid, and bearing said Clerk's File Number 326. Said floor plans contemplate the construction of 34 additional Units, of which only 18 additional Units will be initially built. Said 18 Units are as shown on Units numbered 1 through 18, inclusive, on the aforesaid floor plans filed simultaneously herewith. In accordance with First Amendment, Developer may build fewer than 34 Units in Building "A," and is not required to build more than 18 Units, but may do so.

3.2 There is attached hereto as Exhibit "A" a reallocation of the percentage of general common element ownership as a result of the expansion of the Regime. Said reallocation is a percentage of interest in common elements and contemplates 34 units being constructed in Building "A" on Section 2. In the event only 18 units are constructed in Building "A" on Section 2, or any number in excess of 18 but less than 34, then said reallocation of percentage interest in the common elements will be adjusted accordingly.

4. AUTHORITY FOR THIS SECOND AMENDMENT - This Second Amendment is authorized pursuant to Section E "Expansion of Regime" of the Master Deed and other relative provisions of the Master Deed, as well as pursuant to the provisions of First Amendment, the Developer having the right on its own behalf and on behalf of all unit owners to execute this Second Amendment.

5. CONTINUATION OF MASTER DEED AND FIRST AMENDMENT AS AMENDED HEREBY - The provisions of the Master Deed and First

Amendment, as further amended hereby, remain in full force and effect.

6. BINDING EFFECT

6.1 The provisions of this Second Amendment is binding upon the Unit Owners and upon the successors and assigns of the Developer.

6.2 The Developer executes this Second Amendment on its own behalf and on behalf of all Unit Owners as their attorney in fact and pursuant to the powers contained in the Master Deed recorded as shown heretofore.

Dated this 2<sup>nd</sup> day of July, 1987.

ROYAL COACH CONDOMINIUM JOINT VENTURE

BY: L. H. F. SERVICE CORPORATION

By: Joey B. Bailey  
*Pres*

BY: PARK TOWNHOMES, INC.

By: Joey B. Bailey  
*Pres.*

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

I hereby certify that the foregoing instrument was acknowledged before me this 2<sup>nd</sup> day of July, 1987, by Joey B. Bailey, as President, on behalf of L. H. F. Service Corporation, said corporation having executed the foregoing instrument as joint venturer on behalf of ROYAL COACH CONDOMINIUM JOINT VENTURE.

My Commission Expires: Feb. 29, 1988

C. L. [Signature]  
NOTARY PUBLIC, STATE-AT-LARGE, KY

STATE OF KENTUCKY  
COUNTY OF JEFFERSON

I hereby certify that the foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of July, 1987, by Neil B. Bailey, as President, on behalf of Park Townhomes, Inc., said corporation having executed the foregoing instrument as joint venturer on behalf of ROYAL COACH CONDOMINIUM JOINT VENTURE.

My Commission Expires: Feb 29, 1988

C. L. Nutt  
NOTARY PUBLIC, STATE-AT-LARGE, KY

This instrument prepared by:

NUTT & YANN, ATTORNEYS

By: C. L. Nutt  
CLAUDE L. NUTT  
430 South Fifth Street  
Louisville, KY 40202  
Phone: 584-5387

CONDOMINIUM  
OR  
APT OWNERSHIP  
BOOK 38 PAGE 11-15  
FILE NO. 494

LOGGED BY Rebecca  
AND RECORDED  
1987 JUL -2 AM 11:21  
PAID \$ 35.00  
JIM "POP" MALONE J.C.C.  
Malone

9697a