

**YORKTOWNE MOBILE ESTATES
COVENANTS AND RESTRICTIONS**

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DECLARATION OF COVENANTS AND RESTRICTIONS

FOR

YORKTOWNE MOBILE ESTATES

THIS DECLARATION, made this 2nd day of April 1985, by BLUEGRASS MOBILE HOME ESTATES OF LEXINGTON, LTD., a California limited partnership with principal offices at 6090 Sepulveda Boulevard, Suite 300, Los Angeles, California 90230 (hereinafter referred to as the "developer"),

WITNESSETH: That, whereas, the developer is the owner of a certain tract of land containing 30 acres, more or less, situated on the north side of the Rockwell Road in Clark County, Kentucky about six miles west of the City of Winchester; and

WHEREAS, the developer has subdivided and developed said property as a manufactured housing residential community with parks, open spaces and other common facilities for the benefit of said community, as more particularly described in Article 1 hereof; and

WHEREAS, developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of said open spaces and other common facilities; and, to this end, desires to subject said property as shown on said record plat to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, developer has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which should be delegated and assigned the powers of maintaining and ad-

ministering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, developer has incorporated under the laws of the Commonwealth of Kentucky, as a non-profit corporation, Yorktowne Mobile Estates Association, Inc., for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the developer declares that the real property described in Article 1 is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE 1: PROPERTY SUBJECT TO RESTRICTIONS

1.01 The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this declaration is all of that property known as Yorktowne Mobile Estates, as shown on the plat of record in Plat Book 11 at page 32, Clark County Court Clerk's office, to which plat reference is hereby made for a more particular description, and which property the developer acquired from Carlsberg Mobile Home Properties, Ltd.--'73, by deed dated May 21, 1981, of record in Deed Book 249, page 489, in said Clerk's office.

ARTICLE 2: DEFINITION OF TERMS

2.01 The term "lot" shall mean any one of the 190 lots designated as such on the aforesaid record plat of Yorktowne Mobile Estates, with the exception of the common areas as herein defined. The number of "lots" in Yorktowne

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Mobile Estates may be increased or decreased by subdivision or consolidation in accordance with Article 4.04.

2.02 The term "association" shall refer to Yorktowne Mobile Estates Association, Inc., a corporation in which each lot owner in Yorktowne Mobile Estates becomes a member upon purchase of a lot or upon contracting to purchase a lot from the developer.

2.03 The term "common area" or "common areas" shall be and refer to the streets and those areas of land and facilities designated on the aforesaid record plat of Yorktowne Mobile Estates as Sections, A, B and C and further identified, respectively, as Recreation Area, Office Area and Lagoon Area. Such Sections are intended to be devoted to the common use and enjoyment of the owners of lots in Yorktowne Mobile Estates, including the swimming pool, storage areas and such other similar facilities and structures located within said Sections.

2.04 The term "member" shall mean and refer to all those owners who are members of the association as provided in Article 6 hereof.

2.05 The term "developer" shall mean and refer to Bluegrass Mobile Home Estates of Lexington, Ltd., its successors and assigns.

ARTICLE 3: GENERAL PURPOSES OF CONDITIONS AND RESTRICTIONS

3.01 The real property described in Article 1 hereof is subject to the covenants, restrictions, conditions, reservations, liens and charges hereby declared to insure the best use and the most appropriate development and improvement of each lot therein; to protect the owners of those lots against such improper use of surrounding sites as

will depreciate the value of their property; to preserve, so far as practicable, the natural beauty of said property; to guard against the placing or erection thereon of poorly designed or maintained manufactured housing, and poorly designed or proportioned structures built of improper or unsuitable materials; to obtain harmonious color schemes; to insure the highest and best development of said property; to encourage and secure the erection of attractive residences and accessory structures thereon, with appropriate locations thereof on sites; to prevent haphazard and inharmonious improvement on sites; to secure and maintain proper setbacks from streets, and adequate free spaces between structures; and in general to provide adequately for a high type and quality of improvement in said property, and thereby to enhance the values of investments made by purchasers of lots therein.

ARTICLE 4: RESIDENTIAL AREA COVENANTS

4.01 LAND USE AND BUILDING TYPE. No lot shall be used except for private single-family residential purposes. No structures shall be erected, altered, placed or permitted to remain on any lot other than one single-family dwelling and other outbuildings incidental to residential use of the premises. No clothes lines shall be erected on or over any lot. No clothes shall be hung outside the dwelling for drying purposes.

4.02 ARCHITECTURAL CONTROL. No building, fence, wall, structure or other improvement shall be erected, placed or altered on any lot, nor shall any earthwork be performed until the construction plans, specifications and plan showing the grade elevation, location of the structure,

fence, wall or improvement, the type of exterior material and the driveway location (driveways shall be of asphalt or concrete) shall have been approved in writing by an architectural control committee composed of the board of directors of the association or by a representative designated by that committee. In the event said committee or its designated representative fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, such approval will not be required and this covenant will be deemed to have been fully complied with.

4.03 BUILDING AND MANUFACTURED HOUSING UNIT LOCATION. The placement or erection of any building or structure on any lot shall be controlled or governed by the aforesaid architectural control committee or a representative designated by the committee.

4.04 SUBDIVISION OR CONSOLIDATION OF LOTS. No lot referred to in Article 2.01 shall be subdivided or consolidated with another lot or lots for single-family use without the prior approval of the architectural control committee created in Article 4.02, in addition to any other approvals required by law.

4.05 NUISANCES. No noxious or offensive activity shall be carried on upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. All things or occurrences which are deemed nuisances under the laws of the Commonwealth of Kentucky are hereby declared to be nuisances for the purpose of this declaration of restrictions.

4.06 TEMPORARY STRUCTURES. No tent, shack, garage, barn or other outbuilding erected on a building site

covered by these covenants shall at any time be used for human habitation temporarily or permanently, nor shall any structure of a temporary character be used for human habitation.

4.07 PARKING, MAINTENANCE OR STORAGE OF VEHICLES.

All operable vehicles shall be parked only on the off-street parking space provided on or for the lots and in no event is on-street or yard parking allowed. In this respect, a parking space for two vehicles is provided for each of the lots in the subdivision, except for the following numbered lots which are provided two vehicular parking spaces, each, in the following corresponding common parking areas as shown on the aforesaid plat of Yorktowne Mobile Estates, to wit:

<u>PARKING AREA NO.</u>	<u>LOT NOS.</u>
1	29,30,31,32,33 and 34
2	15,16,17,18,19,20 and 21
3	1,2 and 3
4	142 and 143
5	54,55,56,57,58 and 59
6	72,73 and 74

No inoperable vehicle shall be habitually or repeatedly parked or kept on any lot. No vehicle maintenance or repairs shall be permitted in the subdivision at any time, except for emergency repairs which may be done in the storage area in Section B. All vehicles in excess of one (1) ton capacity and disabled or inoperable vehicles, including but not limited to travel trailers or boats, shall only be parked in those spaces provided in Section B and arrangements for the parking of same shall first be secured by the owner from the association or its designated representative. All streets shall be kept free and clear at all times in order to provide free and uninterrupted passage of vehicular traffic thereon.

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4.08 LIVESTOCK AND PETS. No animals, including reptiles, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that small dogs, cats or other household pets (meaning the domestic pets traditionally recognized as household pets in this geographic area) may be kept provided that they are not kept, bred and maintained for any commercial or breeding purposes. All household pets, including dogs and cats, shall at all times be confined to the lot occupied by the owner of such pet. All shelters and areas occupied by any pet shall be kept clean, attractive and odor-free.

4.09 MAINTENANCE OF LOT. It shall be the duty of each owner to keep the grass on the lot properly cut, to keep the lot free from weeds and trash, and to keep it otherwise neat and attractive in appearance. Where a lot line adjoins any roadway in the subdivision, the owner shall additionally maintain the area between such lot line and the edge of the paved roadway. Should any owner fail to maintain his lot in accordance with this paragraph, then the association or any person it may designate may take such action as it deems appropriate, including mowing, in order to make the lot neat and attractive, and the owner shall, upon demand, reimburse the association or other performing party for the expense incurred in so doing. Each lot shall have a storage cabinet, the size, design and kind of material of which must be approved by the architectural control committee or its duly designated representative. Such storage cabinets are to be used for the storage of garbage and trash cans, hand tools, lawn mowers and other similar tools and equipment.

4.10 MAINTENANCE AND REPAIR OF STRUCTURES ON

LOTS. Each property owner shall have the duty to keep all structures on his lot maintained in good physical repair and appearance. Should the architectural control committee find that a structure has not been kept in good physical repair and appearance by an owner and that the presence of such structure in its deteriorated condition is clearly out of character with similar structures in the subdivision, and consequently either interferes with beneficial use and enjoyment by other owners of their lots or endangers the investment in the subdivision made by other owners, then, under those circumstances, the association, or any person it may designate, may take such action as it or he determines to correct the deficiencies (including painting), and the owner shall, upon demand, reimburse the association or other performing party for the expenses incurred in so doing. Each lot owner provided vehicular parking spaces in a common parking area enumerated in Article 4.07 hereof shall share on a pro rata basis the expense of maintaining the common parking area with the other lot owners allocated parking spaces in the same common parking area. Each owner of a lot provided pedestrian access over a common sidewalk as enumerated in Article 4.11 hereof shall likewise share on a pro rata basis the expense of maintaining the common sidewalk with the other lot owner or owners having pedestrian access over the same common sidewalk. The determination of making necessary repairs to any common parking area or common sidewalk shall be made whenever possible by the lot owners allocated parking spaces in a common parking area, or by the lot owners provided a common sidewalk, whichever the

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case may be. In the event such lot owners cannot make such determination, or fail or refuse to maintain such common parking area or common sidewalk in good physical repair, then, under those circumstances, the association, or any person it may designate, may take such action to repair the common parking area or common sidewalk, and the responsible lot owners shall bear the cost of such repair on a pro rata basis and shall, upon demand, reimburse the association or other performing party for the expenses incurred in making such repairs.

4.11 UTILITY SERVICES AND EASEMENTS. Services for domestic water and sewage disposal are afforded to each lot by the association through pipelines located on various easements throughout the subdivision as shown by centerline locations on the aforesaid record plat, and such easements are dedicated for those uses. The charges to each lot owner for water and sewer services shall be fixed, regulated and collected by the association as provided in Article 6.06 hereof. Each lot is also afforded services for electricity, gas, telephone and cable television, and there is also dedicated hereby to such utility companies providing these services the right of reasonable access to install, operate, replace and maintain their respective transmission lines and appurtenances thereto; provided, however, such utility services shall be underground where feasible from an engineering standpoint. Each lot owner shall be responsible for securing services from the appropriate utility company for electricity, gas, telephone, cable television and garbage disposal, and shall further be responsible for the cost of installing and maintaining such services to his lot and for

the payment of charges for same. Certain lots in the subdivision have common sidewalks for their joint use in providing pedestrian access to the streets upon which they front. In this regard, that portion of the existing sidewalk located on Lot No. 31, beginning at the front property line thereof and extending therefrom to the point where separate sidewalks serving Lot Nos. 30 and 31 intersect therewith, shall be jointly used for pedestrian access and jointly maintained by the owners of Lot Nos. 30 and 31. That portion of the existing sidewalk located on Lot No. 32, beginning at the front property line thereof and extending therefrom to the point where separate sidewalks serving Lot Nos. 32 and 33 intersect therewith, shall be jointly used for pedestrian access and jointly maintained by the owners of Lot Nos. 32 and 33. That portion of the existing sidewalk located along the common property between Lot Nos. 56 and 57, beginning at the common corner to the front property lines of said lots and extending therefrom to the point where separate sidewalks serving Lot Nos. 55, 56, 57 and 58 intersect therewith, shall be jointly used for pedestrian access and jointly maintained by the owners of Lot Nos. 55, 56, 57 and 58. Each lot owner shall have the right of reasonable access over and upon other lots in the subdivision for purposes of locating his manufactured housing unit on his lot, or removing same therefrom. On such location or removal of his manufactured housing unit, said owner shall do all things requisite to avoid damages to those lots over which he must reasonably traverse, including the use of pads as to avoid surface damage as much as possible.

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4.12 GARBAGE AND REFUSE DISPOSAL. No lot shall be used or maintained as dumping ground for rubbish. All trash, garbage and other waste shall be placed in sanitary containers kept within storage cabinets as provided in Article 4.09 hereof, and shall be disposed in a sanitary manner.

4.13 COMMON AREA. Subject to the provisions of Article 6.03 herein, the streets and common area(s) shall be maintained by all property (lot) owners. This duty and responsibility may not be revoked, limited, abridged or circumvented.

4.14 RENTING AND LEASING OF RESIDENCES. The owner of a lot may lease that lot, provided that any tenant, before taking possession of the lot, must enter into a written agreement with the association obligating the tenant and the tenant's family and invitees to abide by this Declaration of Covenants and Restrictions and the bylaws, rules and regulations of the association. This paragraph shall not be construed to relieve any lot owner from primary responsibility for the obligations imposed by this Declaration of Covenants and Restrictions and the bylaws, rules and regulations of the association.

4.15 FOUNDATIONS AND UNDERPINNING. Each manufactured housing unit located in Yorktowne Mobile Estates shall be equipped with a permanent foundation or "skirt" enclosure extending from the bottom of the unit to the ground, and permanent steps up to the unit. The foundation or skirt and steps must be installed within thirty (30) days after occupancy of the unit. Skirts must be standard manufactured housing skirting which matches the unit in color and material.

ARTICLE 5: GENERAL PROVISIONS

5.01 DURATION. The covenants and restrictions of this declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the association or the owner of any lot subject to this declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty years from the date this declaration is recorded, after which time said covenants shall be automatically extended for successive periods of five years unless an instrument signed by the then owners of two-thirds of the lots has been recorded, agreeing to change said covenants and restrictions in whole or in part. Provided, however, that no such agreement to change shall be effective unless made and recorded three years in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every owner at least ninety (90) days in advance of any action taken.

5.02 ENFORCEMENT. If the owner of any lot subject to this declaration, or his heirs and assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons owning any lot, or the association, to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, and either to prevent him or them from so doing or to recover damages or other dues for such violation. Provided, however, these covenants and restrictions (except Section 4.11 hereof with respect to water and sewer services, and Section 4.13 hereof with respect to the maintenance of streets) may be cancelled, altered or amended at any time by the affirmative vote of 75% of the total number of votes in the association. The

obligation to maintain the water and sewer lines shown on the aforesaid plat shall not be cancelled, altered or amended unless the water and sewer pipelines and the sewage disposal facility located on Section C are transferred to and accepted for maintenance by a public or other appropriate utility, authority or company. The obligation to maintain the private streets shown on the aforesaid plat shall also not be cancelled, altered or amended unless the streets are abandoned for use as such, or the streets are dedicated to the public use and accepted for maintenance by the appropriate legislative body of local government. Failure of any member of the association to demand or insist upon observance of any of these restrictions or to proceed for restraint of violations, shall not be deemed a waiver of the violation or of the right to seek enforcement of these restrictions.

5.03 SEVERABILITY. Invalidation of any one of these covenants or any part thereof by court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

ARTICLE 6: YORKTOWNE MOBILE ESTATES ASSOCIATION, INC.

6.01 CREATION OF ASSOCIATION OF MEMBERS. The articles of incorporation of Yorktowne Mobile Estates Association, Inc. ("association"), which may be amended from time to time in accordance with the provisions thereof, dated May 20, 1985, are recorded in Articles of Incorporation Book 10, page 514, in the office of the Clark County Court Clerk.

6.02 MEMBERSHIP. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject under these covenants to assessment by the

association shall be a member of the association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member. Such member shall abide by the association's bylaws, shall pay the assessments provided for, when due, and shall comply with the decisions of the association's board of directors.

6.03 PURPOSES OF ASSOCIATION. The objects and purposes of the association shall be set forth in its articles of incorporation or bylaws and shall be to promote the social welfare and serve the common good and general welfare of its members, and shall include maintenance and repair of the streets, water lines, sewage lines and treatment system, pool, tennis courts, maintenance and storage areas, and other common facilities, in the common areas owned by the association, periodically cutting grass on the vacant lots and common areas, keeping the trees in the areas owned by the association trimmed, and the general caring for the needs of and the beautification and maintenance of any and all common areas of Yorktowne Mobile Estates shown on the aforesaid plat.

6.04 VOTING RIGHTS. The association shall have two (2) classes of voting membership, to wit:

Class A. Class A members shall be all owners with the exception of the developer, and shall be entitled to one (1) vote for each lot. When more than one person holds an interest or interests in any lot, all such persons shall be members and the vote for such lot shall be exercised as they among themselves determine, but

in no event shall more than one vote be cast with respect to any such lot.

Class B. The Class B member shall be the developer, and shall be entitled to three (3) votes for each lot owned in the project upon which the developer is then paying the appropriate monthly assessments herein provided. The Class B membership shall cease and be converted to Class A membership upon the happening of either of the following events, whichever first occurs:

(a) When ninety percent (90%) of all lots in the project have been sold; or

(b) The fifth (5th) anniversary date of the sale of the first lot in the project.

Any action by the association which must have the approval of the membership of the association before being undertaken, shall require the vote or written assent of both a majority of the Class B membership as well as a majority of the Class A membership so long as there are two (2) outstanding classes of membership, unless a specific provision of this declaration or the bylaws or articles of incorporation of the association requires the approval of a greater percentage of the voting membership.

6.05 USE OF COMMON AREAS. Use of the common areas is limited to association members, the immediate family of the member residing with the member, and guests when accompanied by the member or one of the immediate family of the member.

6.06 ASSESSMENTS. The developer, for each lot owned by it within Yorktowne Mobile Estates, hereby cove-

nants and each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to pay to the association in accordance with the terms contained herein: (1) regular monthly assessments or charges; and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The regular and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the owner of such lot at the time when the assessment fell due.

6.07 APPLICATION OF ASSESSMENTS. The assessments levied by the association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in Yorktowne Mobile Estates, and in particular for the improvement and maintenance of properties, services and facilities devoted to the purpose and related to the use and enjoyment of the common areas owned by the association and of the homes situated upon the lots in Yorktowne Mobile Estates, including, but not limited to, the payment of taxes and insurance thereon, and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

6.08 PRO RATA ASSESSMENT. Any regular assessment or special assessment fixed or established by the associa-

tion shall be assessed in equal portions against each lot and the owner or owners of that lot.

6.09 REGULAR ASSESSMENT. The first general association assessment made under Article 6 shall begin on the date fixed by the board of directors of the association as the date of commencement. The Board of directors of the association may from time to time levy, increase or decrease the association assessment as required to meet the expenses of the association, and maintain a reasonable cash operating reserve. The association assessment shall be calculated monthly and the board of directors of the association shall fix the due date of each such assessment so calculated.

6.10 SPECIAL ASSESSMENTS. In addition to the regular monthly assessments authorized by this Article 6, the association may levy in any assessment quarter a special assessment, applicable to that quarter only, for the purpose of paying in whole or in part the cost of any construction (other than the initial construction of common facilities) or reconstruction, unexpected repair or replacement of a described capital improvement upon the common areas owned by the association, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of sixty (60%) percent of the votes cast, in person or by proxy, at a meeting of the members duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

6.11 QUORUM REQUIREMENT. The quorum required for any action by the association, except as otherwise provided in these covenants and restrictions, shall be as follows:

At the first meeting called for the purpose of taking any action, the presence at the meeting in person or by proxy of sixty percent of all the votes entitled to vote thereat shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Section 6.10, and the required quorum at any such subsequent meeting shall be one-half of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

6.12 ENFORCEMENT OF ASSESSMENT LIEN.

(a) If the assessments are not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and the costs of collection as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligations of the then owner to pay such assessment shall remain his personal obligation until paid, notwithstanding any transfer of the property or the continuing lien provided in the preceding sentence.

(b) If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of eight percent per annum, and the association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment all

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court costs in such action, and in the event judgment is obtained, such judgment shall include interest on the assessment as above provided, a reasonable attorney's fee and all other reasonable costs of collection.

6.13 SUBORDINATION OF ASSESSMENT LIEN. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the property subject to assessments; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessments.

6.14 PROPERTY RIGHTS IN THE COMMON PROPERTIES.

(a) Subject to the provisions of subsection (c), every member shall have a right and easement of enjoyment in and to the common properties and each easement shall be appurtenant to and shall pass with the title to every lot.

(b) The developer hereby covenants, for itself, its heirs and assigns, that it shall convey the common areas and completed common facilities thereon to the association, free and clear of all liens and encumbrances not later than the date upon which it has delivered deeds conveying a total of 190 lots in Yorktowne Mobile Estates.

(c) The rights and easements of enjoyment created hereby shall be subject to the following:

(1) The right of the developer and the association, in accordance with its bylaws, to borrow money for the purpose of improving the common areas and in aid thereof to mortgage said properties. In the event of a default upon any such mortgage, the lender's rights hereunder shall be limited to a right, after taking possession, to charge admission and other fees as a condition to continued enjoyment by the members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the association and all rights of the members hereunder shall be fully restored. The board of directors of the association shall be empowered to mortgage or encumber the properties of the association only after approval of such action by the members in the manner in which special assessments are approved in Article 6.10 of these covenants.

(2) The right of the board of directors to suspend the enjoyment rights in the common properties of:

(i) Any member for any period during which any assessment remains unpaid, and

(ii) Any person who violates the published rules and regulations of the board of directors regarding use of common properties and facilities.

(3) The right of the board of directors of the association to grant utility easements over common properties.

(4) The right of the board of directors or its designee to require prior approval of any lease

by an owner of the lot or lots owned by him in Yorktowne Mobile Estates as provided in Article 4.14. No owner may delegate to a lessee his responsibilities and liabilities to the association under these covenants and restrictions.

(5) The right of the association to adopt reasonable rules respecting use of the common areas.

6.15 TITLE TO COMMON PROPERTIES. The association shall hold title to and maintain the streets and common areas designated as Sections A, B and C and the utility easements for water and sewage lines shown on the aforesaid plat. All such streets shall be private streets provided solely for the use of the residents of Yorktowne Mobile Estates and their guests and invitees.

6.16 MEMBERS' EQUITY. The equity interest of a lot owner, represented by his membership in the Yorktowne Mobile Estates Association, Inc. shall not, under any circumstances, be subject to refund, redemption or withdrawal.

6.17 DISSOLUTION OF ASSOCIATION.

(a) The association may be dissolved only with the written assent of three-fourths of the votes of the association. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets (which shall be consistent with the provisions of these covenants and restrictions), shall be mailed to every member at least ninety (90) days in advance of any action taken.

(b) Upon dissolution of the association, the assets, both real and personal, of the corporation, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same

as those to which they were required to be devoted by the association. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the association. No such disposition of association property shall be effective to divest or diminish any right of title of any member under the recorded covenants and deeds applicable to Yorktowne Mobile Estates or the common areas owned by the association unless made in accordance with the provisions of such covenants and deeds.

ARTICLE 7: EXECUTION

Execution of this instrument by William W. Gary, Jr. was approved by a resolution of Bluegrass Mobile Home Estates of Lexington, Ltd., adopted April 2, 1985.

WITNESS the signature of William W. Gary, Sr., Vice President of Bluegrass Mobile Home Estates of Lexington, Ltd., this 2nd day of April, 1985.

BLUEGRASS MOBILE HOME ESTATES OF LEXINGTON, LTD.

BY William W. Gary, Jr.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

SCT.

I, Barbara J. LaVelle, a Notary Public in and for the county and state aforesaid, do certify that this day William W. Gary, Jr. personally known to me to be Vice President of BLUEGRASS MOBILE HOME ESTATES OF LEXINGTON, LTD., produced the foregoing instrument before me in my county and acknowledged same to be the act and deed of said partnership.

WITNESS my hand and seal this 2nd day of April 1985. My Commission expires: 10/16/87

Barbara J. LaVelle
NOTARY PUBLIC

PREPARED BY THE UNDERSIGNED MEMBER OF WHITE, McCANN AND STEWART, ATTORNEYS, CODELL BLDG., WINCHESTER, KENTUCKY

James B. Stewart

STATE OF KENTUCKY SCT CLARK COUNTY
I, Beckner Shimfessel, Clerk of Clark County, KY do hereby certify that the foregoing instrument was on 2nd day of May 1985 lodged for record in my office, whereupon the same with this and the foregoing certificate have been duly recorded. Witness my hand this 2nd day of May 1985
Beckner Shimfessel, Clerk

