BY-LAWS OF THE COUNCIL OF CO-OWNERS
OF
CHAMBERLAIN GARDENS

The following By-Laws shall apply to the above-named condominium regime (herein called the "Regime"), located in Jefferson County, Kentucky, as described in and created by Master Deed for Chamberlain Gardens (herein called the "Master Deed") recorded in the Office of the County Clerk of Jefferson County, Kentucky as same may be amended from time to time and to all present and future owners, tenants and occupants of any units of the Regime and all other persons who shall at any time use the Regime.

ARTICLE I
Membership.

Section 1. Qualifications. All owners of units of the Regime shall constitute the Council of Co-Owners, herein called "Council". The administration of the Regime shall be vested in the Council and shall also be known as Chamberlain Gardens Council of Co-Owners (which may hereafter be referred to as "Council"). The owner of any unit upon acquiring title thereto shall automatically become a member of the Council and shall remain a member thereof until such time as his ownership of such unit ceases for any reason, at which time his membership in the Council shall automatically cease.

Section 2. Place of Meetings. Meetings of the Council shall be held in Jefferson County at a place convenient to the unit
owners as designated by the Board of Administration.

Section 3. Annual Meetings. Annual meetings of the Council shall be held on the first Monday in June of each year unless a different time is chosen by the Board of Administration.

Section 4. Special Meetings. Special meetings of the Council may be held at any time upon the call of the President or a petition signed by at least twenty-five percent (25%) of the unit owners and presented to the Secretary following surrender of Developer's control.

Section 5. Notice of Meetings. The Secretary shall give written or printed notice of each annual and special meeting to every unit owner according to the Council's record of ownership at least five days before the date set for such meeting, stating whether it is an annual or special meeting, the authority for the call thereof, the place, day and hour of such meeting and the purpose therefor, in any of the following ways: (a) by delivering it to him personally, or (b) by leaving it at his unit in the Regime or at his usual residence or place of business, or (c) by mailing it, postage prepaid, addressed to him at his address as it appears on the Council's record of ownership. If notice is given pursuant to the provisions of this section, the failure of any unit owner to receive actual notice of any meeting shall in no way invalidate such meeting or any actions taken. The presence of any unit owner in person or by proxy at any meeting shall be deemed a waiver of any required notice to such owner unless he shall at the opening thereof object to the holding of such meeting because of
the failure to give notice in accordance with the provisions hereof.

Section 6. Quorum. The presence at any meeting in person or by proxy of thirty-three percent (33%) of the percentage interests of the unit owners shall constitute a quorum, and except for removal of officers or directors and amendments to the Master Deed or these By-Laws, the acts of a majority of the unit owners present, in person or by proxy, at any meeting at which a quorum is present shall be the acts of the Council.

Section 7. Voting. Each unit shall be entitled to a vote equal to its percentage interest as set forth in the Master Deed. Except for the Developer, only Unit Owners whose assessments and other obligations to the Association then have been paid in full shall be qualified to vote. Votes may be cast in person or by written proxy by the respective qualified Unit Owners as shown in the record of ownership of the Council. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Council the vote for any unit owned or controlled by him in such capacity, whether or not the same shall have been transferred to his name in the Council's record in ownership, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such unit in such capacity. If there is more than one Owner of a unit, only one of the Owners will be permitted to vote on matters before the Council. However, the vote or the signature, as the case may be, of one Owner per unit will be sufficient to cast the vote for all
of the Owners of that unit without the necessity of obtaining a proxy or other authorization. If the owners of a unit disagree as to the unit's vote and such disagreement is made known to the Board of Directors, then such owners shall each be permitted to cast a fractional vote corresponding to their respective ownership interest in the unit. In the event that a unit is owned in joint tenancy or tenancy by the entirety and in the event that the joint tenants disagree as to the manner of their vote and such disagreement is made known to the Board of Directors, the joint owners shall each be permitted to cast a one-half fractional vote.

Section 8. Proxies and Pledges. The authority given by any unit owner to another person to represent him at meetings of the Council shall be in writing, signed by such owner and filed with the Secretary at the commencement of any meeting in which the vote of the proxy shall be exercised. A new proxy needs to be submitted prior to each meeting in which it will be exercised. Such authority shall be revoked by the death or mental incapacity of such owner. Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale or lease of any unit or interest therein, a true copy of which is filed with the Board through the Secretary shall be exercised only by the person designated in such instrument until the written notice of release or other termination thereof is filed with the Board in like manner.

Section 9. Adjournment. Any meeting of the Council may be adjourned from time-to-time to such place and time as may be determined by majority vote of the unit owners present, whether or
not a quorum is present, without notice other than the announcement at such meeting. At any such adjourned meeting a quorum must be present for any business to be transacted by the Council.

ARTICLE II

Board of Administration.

Section 1. Number and Qualifications. The affairs of the Council and the Regime shall be governed by a Board of Administration (herein referred to as the "Board") composed of three (3) members. All members of the Board shall be Unit Owners except in the event a Unit Owner is a legal entity other than an individual, any officer, director, shareholder, partner, beneficiary or trustee of such other entity shall be eligible to serve as a Director or Member of the Board. If there is more than one Owner of a unit only one of the Owners will be permitted to serve on the Board of Directors at any given time. The Board members shall serve without compensation unless otherwise authorized by the Council of Co-Owners.

Section 2. Powers. The Board shall have all powers necessary for the administration of the affairs of the Council and may do all such acts and things therefor as are not by law, the Master Deed, these By-Laws or Rules and Regulations of the Regime directed to be exercised or done only by the Unit Owners. The Officers and Directors of the Board shall each have one vote in matters coming before the Board, and they shall also be in the respective Officers and Directors of Chamberlain Gardens Council of Co-Owners, if same is at any later date incorporated as a non-
profit Kentucky Corporation.

Section 3. **Election and Term.** Election of Board members shall be by secret ballot at annual meetings and any special meetings called for the purpose. The Owner of each unit entitled to vote at such election shall have the right to cast, in person or by proxy, one vote for each unit owned by him for Board members to be elected at such election. All nominations shall require the owners of at least two (2) units and shall be submitted to the Secretary at least ten (10) days before said election. Likewise, nominations may be made from the floor at all annual meetings and require the Owners of at least two units. Members of the Board of Directors shall hold office for a period of two years, and until their respective successors have been elected, with the exception of two (2) of the Directors elected at the first annual meeting, who shall hold office for a term of one year in accordance with the provisions of the Master Deed. Board Members shall be subject to removal as herein provided.

Section 4. **Vacancies.** Vacancies in the Board of Administration caused for any reason shall be filled by vote of a majority of the remaining directors, even though they may constitute less than a quorum, and each person so elected shall serve out the term of the director whom he replaced. Death, incapacity or resignation of any director, or his continuous absence from the State of Kentucky for more than six (6) months shall cause his office to become vacant.

Section 5. **Removal of Board Members.** At any regular or
at a special meeting of the Council duly called, any one or more of
the directors may be removed with or without cause by vote of two-
thirds of the Unit Owners and a successor may then and there be
elected to fill the vacancy thus created. Any director whose
removal has been proposed by the Unit Owners shall be given an
opportunity to be heard at such meeting.

Section 6. **Annual Meeting.** An organizational meeting of
the Board of Administration may be held at the place of and
immediately following each annual meeting of the Council, and no
notice shall be necessary to any Board members in order validly to
constitute such meeting, provided that a majority of the whole
Board shall be present. At such meeting, the Board shall elect the
Officers of the Council for the ensuing year.

Section 7. **Regular Meetings.** Regular meetings of the
Board of Administration may be held at such time and place as shall
be determined from time to time by a majority of the Board members,
but at least one such meeting shall be held during each calendar
quarter of every year. Notice of regular meetings of the Board
shall be given to each Board member personally or by mail,
telephone or telegraph, at least two (2) days prior to the date of
such meeting.

Section 8. **Special Meetings.** Special meetings of the
Board of Administration may be called by the President on at least
seven (7) days' notice to each Board member, given personally or by
telephone or telegraph, which notice shall state the time, place
and purpose of such meeting. Special meetings of the Board shall
be called by the President or Secretary in like manner and with like notice on the written request of at least two Board members.

Section 9. Waiver of Notice. Before or at any meeting of the Board of Administration, any Board member may in writing waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be waiver of notice to him of such meeting. If all the Board members are present at any meeting of the board, no notice thereof shall be required, and any business may be transacted at such meeting.

Section 10. Quorum of Board. At all meetings of the Board of Administration, a majority of the total members of the Board shall constitute a quorum for the transaction of business, and the acts of a majority present at any meeting at which a quorum is present shall be the Acts of the Board. If less than a quorum shall be present at any meeting of the Board, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Fidelity Bonds. The board of Administration may require that any officer, employee or agent of the Council handling or responsible for its funds, shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Council.
ARTICLE III

Officers.

Section 1. Designation. The Officers of the Association shall be a President, Vice President, Secretary and Treasurer provided the offices of Vice President and Secretary may be combined into one office to be held by one person.

Section 2. Election and Term. All officers of the Association shall be elected by a majority vote of the Board of Directors from among its members and shall hold office until the following annual meeting unless sooner relieved of their duties in accordance with the provisions contained within these By-Laws.

Section 3. Removal. Any officer may be removed either with or without cause by a two-thirds majority vote of the Board of Administration and his successor elected at any regular meeting or special meeting of the Board.

Section 4. President and Vice President. The President shall be chief executive officer of the Council of Co-Owners and shall preside at all meetings of the Council and the Board of Administration. Subject to the control of the Board, he shall exercise general supervision and direction over the management and conduct of the business and affairs of the Council. He shall also have such other powers and duties as may be provided by these By-Laws or assigned to him from time to time by the Board. The Vice President shall so serve in the absence of the President, and shall also perform such other duties as may be assigned by the Board or the President.
Section 5. **Secretary.** The Secretary shall attend and keep the minutes of all meetings of the Council and of the Board of Administration, give all notices thereof as provided by these By-Laws, maintain and keep a continuous and accurate record of ownership of all units, have charge of such books, documents and records of the council as the Board may direct, and shall also perform such other duties as may be assigned by the Board of the President.

Section 6. **Treasurer.** The Treasurer shall maintain and keep the financial records and books of account of the council, prepare regular reports thereof, be responsible for the proper deposit and custody, in the name of the Council, of all its funds and securities, and shall also perform such other duties as may be assigned by the Board of the President.

Section 7. **Auditor.** The Board shall appoint annually an accountant or accounting firm as auditor, who shall not be an Officer of the Council nor own any interest in any unit, to audit the books and financial records of the Council.

**ARTICLE IV**

**Administration.**

Section 1. **Management.** The Board of Administration shall at all times manage and operate the Regime and have such powers and duties as may be necessary or proper therefor, including without limitation, the following:

(a) The supervision of the immediate management and operation of the Regime;
(b) The use, maintenance and repair of the Regime;
(c) Inspection, maintenance, repair, replacement and restoration of the Common Elements and any additions and alterations thereto;
(d) The cleanliness and sanitary condition of the Regime including grass cutting and snow removal of the primary roadway;
(e) Purchase, maintenance and replacement of any equipment and provide for all water and utility services required for the Common Elements;
(f) Provisions at each unit of all water, sewer, electricity and such other utility services and utilities as the Board shall deem necessary either at the expense of such unit or as a common expense as determined by the Board;
(g) Employment, supervision and dismissal of such personnel as may be necessary for the maintenance and operation of the Regime;
(h) Preparation at least sixty (60) days before each fiscal year of a proposed budget and schedule of assessments for such year;
(i) Levy and collect appropriate assessments and monthly maintenance fees for the operation of the Project and payment of all common expenses authorized by the Board: All funds shall be deposited with a federally insured institution;
(j) Maintenance of a separate account for a reserve and capital replacement fund to be used for substantially
repairing, replacing or erecting major capital improvements of or upon the Common Elements, all withdrawals therefrom requiring two signatures;

(k) Purchase and maintain in effect all policies of hazard and liability insurance for the Regime required by the Master Deed, which insurance shall cover the unfinished interior walls of each unit, and such other insurance and bonds as may be required or authorized by the Master Deed or the Council or the Board;

(l) Contract with any persons, corporations or other entities to provide services to the Regime, provided no such contracts (other than insurance contracts and management agreements) shall be made which may not be terminated upon ninety (90) days written notice or upon thirty (30) days written notice for cause;

(m) Notification to all persons having any interest in any unit, according to the Council's record of ownership, of delinquency exceeding 30 days in payment of any assessment against such unit;

(n) Assignment and supervision of motor vehicle parking including the authority to make reasonable rules, fines and charges in regard thereto;

(o) Supervision of the use of the Common Elements;

(p) Maintenance of the Regime as a first-class condominium project and the adoption of any Rules and Regulations deemed necessary to provide for the beneficial, proper and
harmonious use and conduct of the Regime;

(q) Enforcement of the terms of these By-Laws, the
Master Deed and Rules and Regulations;

(r) The Board shall, subject to the approval of a
majority of the Council of Co-Owners, each year estimate the common
expenses of the Regime for the next year. Thereupon it shall
determine the portion of such common expenses attributable to each
Unit and proceed to levy and collect from each unit Owner one-
twelfth of such amount monthly. Should no such determination be
formally made for any year the monthly assessments for each Unit
for the previous year shall be levied and remain in effect until
changed by the Board with the approval of a majority of the Council
of Co-Owners. As used herein "year" shall mean fiscal year, the
first day of which shall commence the first day of the first month
after transfer by Developer of its administration of the Regime to
the Council of Co-Owners.

Section 2. Managing Agent. The Board of Administration
may employ a professional Managing Agent or Administrator to handle
the operation of the Regime subject at all times to direction by
the Board, with all the administrative functions set forth
specifically in preceding Section 1, and such other powers and
duties, and at such compensation as the Board may establish. The
management agreement must be terminable for cause upon 30 days
notice and run for a reasonable period of time of not more than one
year provided further that any management contract negotiated by
Developer prior to its relinquishment of control shall not exceed

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one year. Any management contracts negotiated by the Board may be renewable by consent of the Board and management.

Section 3. Representation. The President or Managing Agent, subject to the direction of the Board of Administration, shall represent the Council or any two or more Unit Owners similarly situated as a class in any legal proceeding affecting the Council, the Common Elements or more than one unit, and may participate in such proceedings without limiting the rights of any Unit Owners to participate individually.

Section 4. Execution of Instruments. All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Council by such person or persons as shall be provided by general or special resolution of the Board of Administration or, in the absence of any such resolution applicable to such instrument, by the President or Treasurer, except that those accounts or certificates in which the reserve and capital replacement funds are deposited shall require two signatures for withdrawal.

ARTICLE V

Obligations of Unit Owners.

Section 1. Assessments. Except for the Developer [whose obligation to pay maintenance fees are governed by Section J(2) of the Master Deed] all Unit Owners shall pay to the Board of Administration, or if a Managing Agent is appointed, to the Managing Agent, in advance, on the first day of each and every month the monthly assessments against their respective units for
common expenses of the Project in accordance with the Master Deed. The assessment is delinquent if not received on or before the fifteenth day of the month that it is due. In the event any Unit Owner is delinquent in the payment of any monthly assessment for a period in excess of ten (10) days, a late charge equal to fifteen percent of the delinquent assessment shall become due and payable and interest shall thereafter accrue at the rate of one and one-half (1 1/2\%) per month until paid. In addition, the Board may, from time to time, post in a conspicuous place upon the Common Elements the names of such delinquent Unit Owners and the delinquent amounts.

Section 2. Maintenance of Units. It shall be the duty of every Unit Owner to repair and replace, at the owner's expense, all portions within his unit including, but not limited to, water, sewer, telephone and electric lines, cable television, painting, carpeting, papering, plastering, appliances and fixtures, including plumbing fixtures, and heating and air-conditioning equipment, smoke alarms and security systems, except as otherwise provided by law or the Master Deed. All pipes and ducts for heating and air-conditioning, screen doors and windows, storm doors, window sashes and glass and any and all other equipment or improvements serving only one particular unit shall be maintained, repaired or replaced at the expense of that Unit Owner although located in a General or Limited Common Area. The Unit Owner shall be liable for any loss or damage whatsoever caused by his failure to perform any such work diligently, and, in case of such failure after reasonable notice to perform, shall reimburse the Council promptly on demand all...
expenses incurred by it in performing any such work authorized by
the Board of Administration or the Managing Agent. In addition,
each Unit Owner shall keep clean all windows, and patios. Every
Unit Owner and occupant shall reimburse the Council promptly on
demand for all expenses incurred by the Council in repairing or
replacing any loss or damage to the Common Elements, where caused
by such owner or occupant or by their guests or members of their
households, or incurred for cleaning or repairing appurtenant
limited Common Elements. They shall give prompt notice to the
Board of Administration or Managing Agent of any loss or damage or
other defect in the Regime when discovered.

Section 3. Use of Regime.

(a) Each unit of the Regime shall be used only for
one-family residential purposes; provided however that Unit Owners
shall not be prohibited from carrying on a home occupation as a
secondary use within the same dwelling, in connection with which
there is no person employed other than a member of the family
residing on the premises, there is no advertising or any other
display which will indicate from the exterior that the building is
being used for any purpose other than that of a dwelling, there are
no retail sales on the premises, no more than 10% of the total
floor area (including garage areas) of the Unit is used.

(b) All Common Elements of the Regime shall be used
only for their respective purposes as designed.

(c) No Unit Owner or occupant shall place, store or
maintain in the Common Elements, other than the private interior
patio, any furniture, packages or objects of any kind or otherwise obstruct transit through such Common Elements or permit said elements to be unsightly or disorderly.

(d) Every Unit Owner and occupant shall at all times keep his unit and any Limited Common Element appurtenant thereto (including all windows) in a strictly clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority, the Council or the Board of Administration applicable to the Regime.

(e) No Unit Owner or occupant shall make or suffer any waste or unlawful, improper or offensive use of his unit or the Regime nor alter or remove any furniture, furnishings or equipment of the Common Elements.

(f) No nuisances shall be allowed on the Regime nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Regime by its residents. No immoral, improper, offensive or unlawful use shall be made of the Regime.

(g) All draperies shall be lined in an "off-white" color, or plain white and all window treatments (blinds, draperies, etc.) of any other color that are visible from the exterior of the unit must be approved in advance and in writing by the Board or its designated agent.

(h) There shall be no changes, alterations or additions to the building made on the outside of any Owner's Unit
and no portion of the Common Elements shall be altered or removed without the Board's consent.

(i) No signs, posters or bills may be placed or maintained in the Regime unless approved by a majority of Unit Owners, except that an owner may place and maintain one "FOR SALE" sign in the window of their unit for a reasonable time, not to exceed 3 feet by 2 feet in size. No other "directional arrows" or "FOR SALE" signs shall be permitted.

(j) All occupants shall exercise extreme care about making noises and in the use of musical instruments, radios, televisions and amplifiers that may disturb other occupants.

(k) No garments, rugs, or other objects shall be hung from windows of the Regime or in other areas within view of other occupants.

(l) No rugs other objects shall be dusted or shaken from windows of the Regime or in other areas within view of other occupants.

(m) No pets other than one dog of less than fifty (50) pounds, caged birds, fish, or one cat may be kept in any Unit and no pets may be kept on the General Common Elements. Pets at all times when outside the Owner's Unit shall be on a leash controlled by a responsible person, who shall carry a scooper and maintain the cleanliness and orderliness of the grounds as a result of any such pet's activities immediately upon the conclusion of those activities. No pet shall be permitted to remain in the Regime if it becomes an annoyance or nuisance to other Unit Owners.
(n) No Unit Owner or occupant shall without the written approval of the Board of Administration install any wiring for electrical or telephone installations, television antennas, machines or air-conditioning units, or other equipment or appurtenances whatsoever on the exterior of the Regime or protruding through the walls, windows or roof thereof.

(o) Nothing shall be allowed, done or kept in any units or Common Elements of the Regime which would overload or impair the floors, walls or roofs thereof; or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereof maintained by or for the council.

(p) No truck, pickup truck, van, house car, motor home, recreational vehicle, bus, trailer, boat, inoperable automobile, nor more than one operable automobile shall be regularly or habitually parked in the Regime unless same shall be parked in a garage.

(q) The Developer of the Regime or its agent, shall have the right to maintain and show its units, including the maintenance and showing of model units. A Unit Owner, or his agents, shall have the right to show his unit at reasonable times of the day for the purpose of sale or lease.

(r) All owners, occupants and their guests shall be subject to this Master Deed, the By-Laws and Rules and Regulations of the Regime.

(s) No exterior clothes lines shall be permitted and no clothes shall be hung so that they are visible from the
exterior of the building.

(t) No automobile shall be regularly or habitually parked on streets within the regime.

Section 4. Regime Rules. The Board of Administration may adopt, amend or repeal any rules and regulations governing details of the operation and use of the Regime not inconsistent with any provision of law, the Master Deed or these By-Laws.

Section 5. Expenses of Enforcement. Every Unit Owner shall pay to the Council promptly on demand all costs and expenses including reasonable attorney's fees incurred by or on behalf of the Council in collecting any delinquent assessments against such unit, foreclosing its lien therefor or enforcing any provisions of the Master Deed, these By-Laws and Project Rules against such owner or any occupant of such unit.

Section 6. Record Ownership. Every Unit Owner shall promptly cause to be duly recorded the deed, assignment or other conveyance to him of such unit, or other evidence of his title thereto, and shall file a copy of same with the Board of Administration, and the Secretary shall maintain all such information in the record of ownership of the Council.

Section 7. Mortgages. Any Unit Owner who mortgages his unit, or any interest therein, shall notify the Board of Administration of the name and address of his mortgagee, and also of the release of such mortgage, and the Secretary shall maintain all such information in the record of ownership of the Council. The Board of Administration or Managing Agent at the request of any
mortgagee or prospective purchaser of any unit, or interest therein, shall report to such person the amount of any assessments against such unit then due and unpaid.

ARTICLE VI

Miscellaneous.

Section 1. Amendment. These By-Laws may be amended in any respect not inconsistent with provisions of law or the Master Deed at any meeting of the Council provided thirty (30) days written notice of the proposed amendment(s) and of the meeting has been sent to each Unit Owner, by the affirmative vote of a majority of the total percentage interest of all Council members, (in person or by proxy).

Section 2. Indemnification. Every Board Member, Officer and/or their executors or administrators shall be entitled to indemnification by the Council of Co-Owners for all expenses reasonably incurred by or imposed upon them in connection with any action, proceeding or suit in which they may be made a party by reason of being or having been a Board Member, with the exception of any matter in which he shall be finally adjudged to be fraudulent or acting in bad faith in the conduct of his office. In any event, indemnification may be provided if authorized by a majority vote of the Council constituting a quorum and not including any Director made a party to the particular action, or by a majority vote of the Council constituting a quorum. In any instance in which liability is imposed on a Director for conduct taken pursuant to a vote of the Board, such Director shall be
entitled to contribution from the other Directors voting affirmatively for such conduct. The foregoing right of indemnification and contribution shall not be exclusive of any other rights to which such person may be entitled.

Section 3. Interpretation. The invalidity of any provision of these By-Laws, the Master Deed or Rules and Regulations shall not impair or affect in any manner the validity, enforceability or effect of the rest of these By-Laws, the Master Deed or Rules and Regulations. Any reference herein to the masculine shall be deemed to automatically include the feminine.

Section 4. Incorporation. In the event the Board of Administration of the Council of Co-Owners chooses to incorporate the Association as permitted in the Master Deed, these By-Laws shall become the By-Laws of said corporation.

Section 5. Inter-Council Association. By action of the Board of Administration, the Council of Co-Owners may participate in and contract with other such boards and councils of condominium regimes for the purposes of efficiency and economy in the operation and maintenance of the condominium regimes participating therein.

Section 6. Enforcement. Violation of the provisions of the Master Deed, these By-Laws or any Regime rules may be remedied in any court of law or equity having jurisdiction thereof by the Council of Co-Owners, its Board of Administration, or managing agent or administrator, or any Unit Owner or Owners entitled to relief with the remedies available to such person or persons including damages, restraining order, injunction, accounting, lien
enforcement and specific performance, or any combination thereof.

ARTICLE VII

The rules contained in Robert's Rules of Order Revised shall govern the Council in all cases to which they are applicable, and in which they are not inconsistent with these By-Laws, Rules and Regulations or the Master Deed.

Council of Co-Owners of Chamberlain Gardens

By: __________________________, President,

Chamberlain Gardens, Inc.
Amendments to
By-Laws for
Chamberlain Gardens

Amendment #1
Use of unit as corporate housing is prohibited.

The use of a unit for the purpose of temporarily, or otherwise, housing employees of, or independent contractors for, any corporation, partnership, business or joint venture is strictly prohibited.

Amendment #2
Renting/Leasing of units is prohibited.

No unit owner may rent or lease the unit. This Amendment overrides and nullifies Section F, part 5 of the Master Deed.
MASTER DEED
FOR
CHAMBERLAIN GARDENS

CHAMBERLAIN GARDENS, INC., a Kentucky Corporation, 102 Daventry Lane, Suite 8, Louisville, Kentucky 40223, hereafter referred to as the Developer, on the 6th day of September, 2001, submits the herein described property to the condominium form of ownership and use in the manner provided by the Kentucky Horizontal Property Law as set out in KRS 381.805 through 381.910, as amended. The property is located in Jefferson County, Kentucky and is more particularly described as follows:

Property Description Is Attached Hereto.

In order to create a Condominium Project consisting of the property described above and the improvements thereon (the "Project"), to be known as Chamberlain Gardens, the Developer hereby submits this property and all the Developer's interest therein to a horizontal property regime and in furtherance thereof, the Developer makes the following declarations regarding divisions, limitations, restrictions, covenants and conditions, hereby declaring that this property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, and improved subject to this Declaration. The provisions of this Master Deed constitute covenants running with the land and are binding on and for the
benefit of present and future owners and lessees of any part of the Project.

A. Definitions. Certain terms as used in the Master Deed shall be defined as follows:

1. "Council of Co-owners" or "Council" means all of the unit owners acting as a group in accordance with the Master Deed, any amendments thereto, the By-Laws and any other governing documents.

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

   (a) The land in fee simple described hereinabove;

   (b) The foundations, main walls, roofs and entrances and exits or communication ways;

   (c) The grounds, landscaping, roadways, parking areas and walkways;

   (d) The compartments or installations of central services such as power, gas, electric, sewerage, cable television, telephone, light, cold and hot water, reservoirs, water tanks and pumps, traffic control and the like;

   (e) All other devices or installations existing for common use; and

   (f) All other elements of the buildings and grounds rationally of common use or necessary to its existence, upkeep and safety.
3. "Limited Common Elements" means and includes, pursuant to KRS 381.810(8), as expanded upon herein, those Common Elements which are reserved for the use of a certain unit or number of units to the exclusion of other units including but not exclusively limited to:

(a) Entrances and exits to the unit;
(b) Utility service facilities serving a unit or several units;
(c) Patio area and decks located to the front or rear of each unit; and
(d) Windows and window frames for each unit.

4. (a) "Unit" or "Condominium Unit" means the enclosed space consisting of one or more rooms occupying one floor in a building having direct access to the Common Elements, as shown on the plans of the Project recorded herewith or to be recorded under Section B of this Declaration. Notwithstanding that some of the following might be located in the Common Elements or Limited Common Elements, the plumbing, heating and air conditioning equipment, electrical facilities, hot water heater, telephone, cable television, window panes, dishwasher and other equipment located within or connected to said Unit for the purpose of serving same and including the garage door equipment located in the garage space for said Unit are a part of the Unit. Provided, however, any interior load bearing wall of a Unit shall be considered a General Common Element.
with the other Co-owners in the General Common Elements of the Project in accordance with each Unit's and Garage Unit's percentage of common interest, representing the floor area of the Unit or Garage Unit in relation to the floor area of the whole Project. These Units and Garage Units are shown or designated in plans, recorded in the Office of the County Clerk of Jefferson County, Kentucky in Apartment Ownership Book 82, Pages 42 through 44, to be amended from time to time which plans and amended plans are incorporated in this Declaration by reference. Each Unit is designated by building and unit numbers as shown on said plans as amended. Each Unit and Garage Unit shall have available for use by its lawful occupants the Limited Common Elements, heretofore defined, reserved for the use of said Unit.

C. Common Interest. Each Unit and Garage Unit shall have appurtenant thereto an undivided percentage of common interest in the General Common Elements (which percentage shall be based upon the total square feet of floor space in the Unit to include the floor space in the garage); shall have the same percentage share in all common profits and common expenses of the Project; and shall have this percentage interest for all other purposes including voting. The undivided percentage of common interest for each Unit and Garage Unit is shown in Schedule A, attached hereto and made a part hereof by reference and same may be amended from time to time by instruments recorded in the Office of the County Clerk of Jefferson County, Kentucky.
D. **Easements.** The Units, Garage Units and Common Elements shall have and be subject to the following easements:

1. An easement for any maintenance, repair and replacement of any and all pipes, wires, conduits, or other utility lines running through or under any Unit or Garage Unit, which facilities are utilized for or serve more than that Unit or Garage Unit, said facilities being a part of the General Common Elements.

2. An easement for ingress and egress for the maintenance, repair and replacement of any load bearing wall located within a Unit or Garage Unit.

3. If any part of the General Common Elements encroaches upon any Unit, Garage Unit or Limited Common Element, a valid easement for such encroachment, the maintenance, repair and replacement thereof, so long as it continues, shall and does exist. If in the event any building of this Project shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the General Common Elements due to reconstruction shall be permitted, and valid easements for such encroachments and of maintenance, repair and replacement thereof shall exist.

4. An easement for ingress and egress and maintenance in favor of any public utility providing utility service to the Condominium Project for the purpose of maintenance, repair, and replacement of the facilities and equipment necessary to provide said services, said utility to exercise this right in a reasonable manner.
5. An easement in favor of the Council of Co-
owners, exercisable by the Board of Administration and its agents,
to enter any Unit, Garage Unit and any Limited Common Element from
time to time during reasonable hours, as may be necessary for the
operation of the Condominium Project or, in the event of emergency,
at any time for necessary action to prevent damage to any part of
the Project. This easement shall include the right of entry to
enforce the rules and regulations of the Board.

6. Easements of records affecting the Project
property as shown on the recorded plans.

7. In addition, Developer may, until it
relinquishes control and thereafter the Board representing the
Council of Co-Owners may, authorize its President or Vice-President
to execute documents to grant easements for utility or roadway
purposes for the benefit of the Condominium Project or any parts
thereof.

E. Partition. The General Common Elements and Limited
Common Elements, shall remain undivided and shall not be the object
of any action for partition or division of any part thereof except
as provided by the Horizontal Property Law of Kentucky.

F. Restrictions. The Units, Garage Units and the Common
Elements shall be subject to the following restrictions, which
restrictions shall be permanent:

1. The Unit or Garage Unit shall be used only for
residential or garage purposes, as the case may be, and shall be
subject to such limitations and conditions as may be contained
herein, or in the By-Laws of the Council of Co-Owners, or any Project rules which may be adopted from time to time by the Board of Administration of the Council as to the use and appearance of the Units, Garage Units, the Limited Common Elements and General Common Elements.

2. Violation of this Declaration, the By-Laws or any rules of the Project property adopted by the Board of Administration, may be remedied by the Board, or its agent by legal action for damages, injunctive relief, restraining order, or specific performance.

3. In addition, an aggrieved Unit owner may maintain a legal action for similar relief.

4. Notwithstanding the residential restrictions above, the Developer shall be permitted to use unsold Units and Garage Units as models or sales offices.

5. No Unit or Garage Unit may be leased for a period of more than one year, such lease to be in writing and permit renewals thereof only on a year-to-year basis. Each owner and lessee shall have a duty to promptly furnish the Board with a copy of the lease and written notification setting forth the names of any lessees, the names of all occupants of leased units and the make and license plate number of all vehicles used by occupants of any leased Unit.

6. Window treatments (blinds, draperies, etc.) that are visible from the exterior of the Unit shall be white or off-white unless approved in advance and in writing by the Board or its
designated agent.

G. **Council of Co-Owners.** The administration of the Project shall be vested in its Council of Co-Owners, consisting of all the Unit owners of the Project in accordance with the By-Laws of the Council. The owner of any Unit or Garage 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 or Garage Unit ceases for any reason, at which time his membership in the Council shall automatically cease.

The above paragraph notwithstanding, the administration of the Project, including the adoption and amendment of By-Laws, the amendment of this Master Deed, adoption of Project rules, assessment of Common Expenses, and all other matters relating to the governing of the Project, shall be vested in the Developer until the earlier of the following: (a) 60 days after all Units have been sold; (b) until five (5) years after the date of this Master Deed; or (c) until the Developer within its sole discretion elects to surrender this power to the Unit owners. Until that time, the Developer shall constitute the Council of Co-Owners and the Board of Administration, and shall possess the irrevocable proxy of the Unit and Garage Unit owners (which proxy each Unit owner gives the developer upon acceptance of a Deed to a Unit or Garage Unit), all Unit and Garage Unit owners agreeing to such administration by the Developer in accepting unit and garage unit conveyances.
H. Administration of the Project. Administration of the Condominium Project, including 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 Kentucky Horizontal Property Law, this Master Deed, the By-Laws of the Council, and all Project Rules and Regulations adopted by the Board of Administration.

I. Board of Administration.

1. Administration of the Condominium Project shall be conducted for the Council by a Board of Administration (the Developer during the period outlined in Section G) who shall be chosen by the Council in accordance with the By-Laws.

2. Developer shall at least thirty (30) days prior to relinquishing control call the first annual meeting of the Council of Co-Owners for the purpose of conducting such business as may be appropriate and the election of three (3) Directors to take office at such meeting, being two (2) for a term of one (1) year and one (1) for a term of two (2) years, the length of terms of the first Directors elected shall be determined by lot at the Board's first meeting. All nominations shall require the Owners of at least two (2) units and shall be received by the Secretary at least ten (10) days before said election. Nominations may be made from the floor at all annual meetings by the Owners of at least two (2) units. Thereafter, annual meetings of the Council of Co-Owners shall be held on the first Monday of June each year except in the event the first Board shall have served for less than 90 days prior
to the next succeeding June 1, the next annual meeting shall be the first Monday of the second succeeding June and shall include election of the Directors for two (2) year terms to fill the seats of those whose terms expire at such meeting. The date for annual meetings may be changed by the By-Laws. The Board of Administration (herein referred to as "Board") shall be composed of three (3) members, all of whom shall be Unit owners except in the event a Unit owner is a legal entity other than an individual, any officer, director, shareholder, partner, beneficiary or trustee of such other entity shall be eligible to serve as a Director or Member of the Board. The Officers of the Council shall be a President, Vice President, Secretary and Treasurer provided the offices of Vice President and Secretary may be combined into one office to be held by one person. All Officers shall be elected by a majority vote of the Board of Directors from among its members and shall hold office until the following annual meeting unless sooner relieved of their duties in accordance with the By-Laws.

3. Developer's rights as a Unit Owner shall not affect its rights to exercise the votes allocated to Units and Garage Units owned by it or the eligibility of its officers or representatives to serve as Directors or Officers of the Project after Developer's transfer of control of the Regime to the Council of Co-Owners. Except for the Developer, only Unit and Garage Unit owners whose assessments and other obligations to the Council then have been paid in full shall be qualified to vote.
4. Developer until transfer of control to the Board and thereafter the Board shall among other things, and at the cost of the Council be responsible for:

a) The use, repair and maintenance of the Regime;

b) The cleanliness and sanitary condition of the Regime including grass cutting and snow removal;

c) Maintaining the Regime as a first-class condominium project and the adoption of any Rules and Regulations deemed necessary to provide for the beneficial, proper and harmonious use and conduct of the Regime; and

d) Enforcing the terms of this Master Deed, the By-Laws, and Project Rules and Regulations.

J. Maintenance.

1. Developer, prior to relinquishment of its administration, and thereafter the Board of Administration shall levy and collect appropriate special assessments and monthly maintenance fees for the operation of the Condominium Project in accordance with KRS 381.870 for which a lien is created on each Unit and Garage Unit pursuant to KRS 381.883 and Section M of this Master Deed. The power is hereby further granted such levying authority to impose monthly late charges of not more than fifteen percent (15%) against all Units and Garage Units which are more than ten (10) days delinquent in the payment of any monthly maintenance charges plus interest thereon at a rate of one and one-half percent (1 1/2%) per month until paid.

2. The monthly maintenance fees set out herein for common expenses shall be based on each Unit's and Garage Unit's proportionate share of the common expenses for the proper operation
of the Regime. Non-use of any of the common elements shall not exempt any Unit or Garage Unit from bearing its proportionate share of the common expenses or from its liability for full payment of its share of the monthly maintenance fees or special assessments levied by the Board or the Council of Co-Owners. It is expressly provided however that Units owned by the Developer shall not be subject to payment of monthly maintenance fees and/or special assessments until the earlier of, (1) the date that a final certificate of occupancy, or similar final certification, is issued by the governmental agency that issues same; (2) the date the Unit is occupied as a single family residence, or (3) the date Developer transfers title to a person who intends to occupy the Unit as a single family residence.

3. The Board shall, subject to the approval of a majority of the Council of Co-Owners in attendance at the meeting at which a quorum is present, each year estimate the common expenses of the Regime for the next year. Thereupon it shall determine the portion of such common expenses attributable to each Unit and Garage Unit and proceed to levy and collect same from each Unit and Garage Unit Owner one-twelfth of such amount monthly. Should no such determination be formally made for any year the monthly assessments for each Unit and Garage Unit for the previous year shall be levied and remain in effect until changed by the Board with the approval of a majority of the Council of Co-Owners. As used herein "year" shall mean fiscal year, the first day of which shall commence the first day of the first month after
transfer by Developer of its administration of the Project to the Council of Co-Owners.

4. A portion of each monthly maintenance fee as determined by the Board (or Developer) shall be deposited in a separate reserve and capital replacement fund. Said fund shall be deposited in a separate savings account, certificate, checking account or other securities in an institution whose accounts are insured by the full faith and credit of the United States and all withdrawals therefrom shall require two signatures. Disbursements from said Fund shall made only for substantially repairing, replacing or erecting major capital improvements of or upon the General or Limited Common Elements. Routine maintenance shall be paid from that portion of the monthly maintenance fund allocated to the monthly operation of the Project.

K. Professional Management. Developer may prior to its relinquishment of the administration of the Regime and thereafter the Council of Co-Owners acting by and through the Board may employ a professional manager to handle the operation of the Regime under the direction of and subject to the approval of the Board (or Developer) provided the management agreement be terminable for cause upon 30 days notice and run for a reasonable period of time of from one to three years and provided further that any management contract negotiated by Developer prior to its relinquishment of control shall not exceed one year. Any management contracts negotiated by the Board may be renewable by consent of the Board and management.
L. Waiver Of Use Of Common Elements. No Unit or Garage Unit owner may exempt himself for liability for his contribution towards the Common Expenses by waiver of the use of enjoyment of any of the Common Elements or by abandonment of his Unit.

M. Unpaid Common Expenses Constitute Lien. All sums assessed for Common Expenses shall constitute a lien on the Units and Garage Units, prior to all other liens except (1) liens for taxes and assessment lawfully imposed by governmental authorities against such Units or Garage Units, and (2) the lien of a first mortgage. Such lien may be enforced by suit by the Council or the Board of Administration, its Administrator or Agent, acting on behalf of the Council, in like manner as a mortgage of real property, provided that thirty days' written prior notice of intention to sue to enforce the lien shall be mailed, postage prepaid, to all persons having an interest in such Unit as shown on the Council's record of ownership. The Council shall have the power to bid on such Unit at judicial sale 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.

N. Acquisitions at Judicial Sale. Where the mortgagee of a first mortgage of record or other purchaser of any Unit or Garage Unit obtains title to same as a result of the judicial enforcement of the mortgage, such party and his successors shall not be liable for unpaid assessments on the share of Common
Expenses which become due and payable prior to such acquisition of title, except for any amount available from the proceeds of sale. Such unpaid shares of Common Expenses shall be deemed to be Common Expenses collectible from all Unit and Garage Unit owners, including such new owner.

O. Insurance.

1. The Board of Administration shall obtain and maintain in full force and effect at all times property damage insurance on the Condominium Project in an amount equal to the full replacement value thereof which value shall be determined annually by the Council. Replacement value as used herein shall be determined without deduction or allowance for depreciation, but such insurance may contain a deductible amount determined by the Board.

Such coverage shall afford the following minimum protection:

Loss and damage by fire or other hazards covered by the standard extended coverage endorsement, as well as vandalism and malicious mischief and such other property damage insurance as the Board consider appropriate.

2. In addition to the insurance set out above, the Board shall also obtain and maintain in full force at all times the following insurance:

(a) Public liability insurance in such form and in such amounts as may be considered appropriate by the Board, including liability insurance for the operation of any community
(b) Workers Compensation insurance to the extent necessary to comply with any and all applicable laws.

(c) Such other insurance as is or shall hereafter be considered appropriate by the Board.

3. All policies purchased by the Board shall provide that same may not be canceled or substantially modified without at least 30 days prior written notice to the Board, all mortgagees of the Co-Owners and any and all other insureds named thereon. All policies shall contain a mutual waiver of subrogation between the Council of Co-Owners and all individual Unit owners.

4. All premiums for insurance coverage as set out herein shall be a common expense to be paid by the monthly assessments levied by the Council of Co-Owners against each of the Co-Owners in accordance with their respective percentages of interest as set forth herein and in any amendments hereto, provided, should the amount of any insurance premium be affected by the use of any particular Unit(s) or Garage Units, the Co-Owners of such units shall be required to pay any increase resulting from such use. Developer shall pay its prorata portion of insurance covering unsold units and garage units.

5. The Board shall have the exclusive authority to adjust any losses under the said insurance policies, provided, in no event shall the insurance coverage obtained and maintained by the Council of Co-Owners be brought into contribution with any insurance purchased by individual Co-Owners or their mortgagees.
At his own expense, each Co-Owner may obtain additional insurance upon his Unit provided no such insurance shall decrease the amount the Council of Co-Owners may realize under any of its insurance policies. All insurance proceeds resulting from damage or destruction payable to Unit and Garage Unit Owners and mortgagees shall be deemed assigned to the Board representing the Council of Co-Owners. Said Board shall immediately deposit all proceeds in a separate account in an insured bank or thrift institution selected by the Board. The Board shall, with qualified supervision, oversee all repairs and all reconstruction. Disbursements shall be made from said trust account as reconstruction and repairs are made only with the approval of a majority of the members of the Board using standard construction disbursement procedures. In the event insurance proceeds are insufficient to cover the costs of reconstruction or repairs relating to the General Common Elements and Limited Common Elements, such portion of the costs not so covered shall be paid by the Co-Owners as a common expense. The Board acting on behalf of the Council in accordance with KRS 381.890(2) is hereby authorized to borrow funds therefor and to amortize the payment of same over a period of time not exceeding the reasonable life of the reconstruction or repairs.

P. Voting and Voting Percentages. The term "majority" or "majority of Unit Owners" used herein or in the By-Laws shall mean the owners of the Units and Garage Units to which are appurtenant more than fifty percent of the percentage of common interest of those owners who are present at a meeting at which
there is a quorum. Any specified percentage of Unit and Garage Unit owners means the owners of Units and Garage Units to which are appurtenant such percentage of the common interest. Where a Unit or Garage Unit is jointly owned or owned as tenants in common by one or more persons, the vote for that Unit or Garage Unit may be cast by one of said owners without the necessity of obtaining a proxy. Where the joint owners or common owners of one Unit or Garage Unit cannot agree on a vote, the vote applicable to that Unit or Garage Unit shall be divided pursuant to ownership interest. Owners shall be entitled to vote at Council meetings in person or by written proxy.

Q. Amendment of Declaration. Except as otherwise provided herein, or in said Horizontal Property Law, this Master Deed may be amended by the Developer prior to it relinquishing control and thereafter by signatures of seventy-five percent of the Unit and Garage Unit owners. Amendments shall be effective only upon recording of the signed instrument setting forth the amendment.

R. Incorporation of Council of Co-Owners. The Council of Co-Owners may (but is not so required) incorporate itself as a non-stock, non-profit corporation, in the administration of the Project with the membership and voting rights on such corporation being the same as membership and voting rights hereinabove established for the Council.
S. Consent of Lienholder. Shelby County Trust Bank is the holder of a mortgage on the property described herein and joins herein only for the purpose of consenting to the submission of the property to a condominium property regime under the Kentucky Horizontal Property Law and to the provisions of this Master Deed.

WITNESS the signature of the Developer by its duly authorized officer the day and year first above written.

SHELBY COUNTY TRUST BANK (Lienholder)

CHAMBERLAIN GARDENS, INC. (Developer)

By: ___________________________ By: ___________________________

V.P. Mark Hightbaugh, President

COMMONWEALTH OF KENTUCKY )
COUNTY OF JEFFERSON ) ss.

Acknowledged before me by Mark L. Hightbaugh as President of Chamberlain Gardens, Inc., this 6th day of September, 2001.

My commission expires: 8-7-02

Notary Public

COMMONWEALTH OF KENTUCKY )
COUNTY OF Shelby ) ss.

Acknowledged before me by __________________________ as
Vic President of Shelby County Trust Bank, this 12 day of September, 2001.

My commission expires: 9/29/2002

Vicka Wise
Notary Public

This instrument prepared by:

Harold W. Thomas
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