

**AMENDED AND RESTATED  
MASTER DEED AND  
DECLARATION OF CONDOMINIUM  
HORIZONTAL PROPERTY REGIME  
OF LOUISVILLE YACHT CLUB CONDOMINIUMS**

THIS AMENDED AND RESTATED MASTER DEED AND DECLARATION OF CONDOMINIUM is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by the Louisville Yacht Club Association, Inc., a Kentucky non-profit corporation, and the Owners executing this instrument.

WHEREAS, by that certain Master Deed, Declaration of Condominium, Horizontal Property Regime of Louisville Yacht Club, recorded on August 7, 1984 in Deed Book 262, Page 333 in the Office of the Clerk of Oldham County, Kentucky (the "Original Declaration"), Louisville Yacht Club, Ltd., a Kentucky limited partnership, purported to create a condominium regime upon the land described therein, located in Oldham County, Kentucky;

WHEREAS, the Original Declaration was re-recorded on October 4, 1984 in Deed Book 264, Page 400 in the Office of the Clerk of Oldham County, Kentucky;

WHEREAS, by a decision rendered on November 8, 2013, in a case styled Ralston W. Steenrod v. Louisville Yacht Club Association, Inc., Et Al., Case No. 2011-CA-001444-MR, the Kentucky Court of Appeals held that the Original Declaration failed to properly organize and establish a condominium regime upon the property described in the Original Declaration; and

WHEREAS, the Association and the Owners, being the owners of record of all of the Units purportedly created by the Original Declaration, now desire, by this Amended and Restated Master Deed and Declaration of Horizontal Property Regime of Louisville Yacht Club Condominiums, to properly organize and establish a condominium regime pursuant to the Kentucky Condominium Act, KRS 381.9101 et seq.

**WITNESSETH:**

The Association and Owners hereby make the following declarations:

1. Purpose. The purpose of this Master Deed and Declaration of Condominium is for a Condominium Property Regime established pursuant to KRS

381.9101 through KRS 381.9207 ("The Kentucky Condominium Act"). This is a Condominium Property Regime for boat slips and certain other uses as set forth herein, and shall constitute covenants running with the land and are binding on and for the benefit of present and future owners, lessees, and mortgagees of any part of the Regime.

1.1 Name. The name by which this Condominium Property Regime is to be identified is LOUISVILLE YACHT CLUB CONDOMINIUMS, a Condominium Property Regime.

1.2 Land. The lands which are submitted by this instrument to the Condominium Property Regime form of ownership are the following described lands lying in Oldham County, Kentucky and more particularly described as:

The lands are more fully described on Exhibit "A" which is appended hereto and incorporated herein by virtue of this reference, which are also graphically depicted on Exhibit "B-1" attached hereto.

which lands are called "the Land."

2. Definitions. The terms used in this Master Deed and its exhibits shall have the meaning set forth below, and any terms not defined herein shall have the meaning stated in The Kentucky Condominium Act.

2.1 "Allocated Interest" shall mean the undivided interest of each Unit in the Common Elements and Common Expense Liability (as set forth in Section 3.3 and votes in the Association (as set forth in Section 7.1).

2.2 "Association" shall mean LOUISVILLE YACHT CLUB ASSOCIATION, INC., a Kentucky non-profit corporation, its successors and assigns, which shall consist of all of the Owners in their Capacity as co-owners and shall act as the "council of co-owners".

2.3 "Boat Slip Unit" means a part of the condominium property which is subject to private ownership as shown on Exhibit "B-2" and Exhibit "B-3" attached hereto and which are numbered one (1) through one hundred fifty eight (158).

2.4 "Common Elements" shall include all of the Land on which the improvements are located other than the Units, the tangible personal property required for the maintenance and operation of the Condominium, and shall include all access drives, parking areas, landscaping, clubhouse, front gate and pool.

2.5 “Common Expenses” shall include expenditures made or financial liabilities of the Association, including the expenses of administration, expenses of maintenance, operation, repair or replacement of the Common Elements, expenses declared to be such by this Master Deed or by the Bylaws of the Association, and any valid charge against the condominium property as a whole. Common expenses shall likewise include expenses for taxes, insurance, and assessments made by LOUISVILLE YACHT CLUB ASSOCIATION INC., pursuant to this Master Deed.

2.6 “Common Expense Liability” shall mean the liability for Common Expenses allocated to each Unit calculated in accordance with Section 3.3 hereof.

2.7 “Condominium Property Regime” “Condominium” and “Regime” means the condominium created by this Master Deed and may be used interchangeably.

2.8 “Executive Board” shall mean the board of directors of the Association.

2.9 “Limited Common Elements” shall mean those Common Elements designated by the Master Deed to be reserved for the exclusive use of one or more Boat Slip Units to the exclusion of other Boat Slip Units. The Residential Units shall have no interest in and to the Limited Common Elements.

2.10 “Master Deed” and “Declaration” shall mean this instrument wherever used and may be used interchangeably.

2.11 “Owner” shall mean the fee simple owner of a Boat Slip Unit or a Residential Unit as defined herein.

2.12 “Residential Unit” means a part of the condominium property which is subject to private ownership as shown on Exhibit “B-1” attached hereto and which are identified as Residential Unit A, B, or C.

2.13 “Unit” shall mean a Boat Slip Unit or a Residential Unit.

2.14 “Utility Services” shall include, but not be limited to, electric power, gas, water, and garbage and sewage disposal.

### 3. Improvements Generally.

3.1 Plat and Plans. A graphic depiction of the Land showing the improvements on it is attached hereto as Exhibit “B-1”. The improvements upon the

Land are constructed substantially in accordance with plans prepared by Cardinal Planning and Design, Inc. and are attached as follows:

Exhibit "B-1", Exhibit "B-2", Exhibit "B-3" and Exhibit "B-4" –  
Graphic Description of Improvements

3.2 Units.

A. Boat Slip Units. There are 158 Boat Slip Units, each of which is identified by a number as shown on Exhibit "B-2" and Exhibit "B-3".

B. Residential Units. There are three (3) Residential Units labeled Residential Unit A, Residential Unit B and Residential Unit C as shown on Exhibit "B-1". The Association shall not have any obligation to furnish any utility or other services to the Residential Units other than maintenance of the Common Elements.

C. Boundaries. There are no upper or lower boundaries for any Unit. The vertical boundary of each Residential Unit is shown on Exhibit "B-1" and the vertical boundary of each Boat Slip Unit is shown on Exhibit "B-2" and Exhibit "B-3".

3.3 Common Elements.

A. The Boat Slip Units shall be deemed to have a collective 96.75% interest in and to the Common Elements. The undivided interest of each Boat Slip Unit Owner in such percentage interest in the Common Elements and the Common Expense Liability of each Boat Slip Unit shall be an undivided share for each Boat Slip Unit computed on the length of each Boat Slip Unit as pro-rated against all of the Boat Slip Units as shown on the applicable table on Exhibit "B-2" and Exhibit "B-3".

B. The Residential Units shall be deemed to have a collective 3.25% interest in and to the Common Elements. The undivided interest of each Residential Unit Owner in such percentage interest in the Common Elements and the Common Expense Liability of each Residential Unit shall be an undivided share for each Residential Unit computed on the area of each Residential Unit as pro-rated against all of the Residential Units as shown on the applicable table on Exhibit "B-2" and Exhibit "B-3". Notwithstanding anything in this Master Deed to the contrary, the Common Expense Liability for a Residential Unit shall not include any costs, fees or expenses related to Limited Common Elements.

3.4 Limited Common Elements. The docks, piers and all other improvements placed on, about or adjacent to the Boat Slip Units, which improvements

are required for the proper use and functionality of the Boat Slip Units as more fully shown in Exhibit "B-4", shall constitute Limited Common Elements and shall be maintained by the Association. All costs and expenses incurred by the Association in the maintenance, repair, replacement insurance of or other cost or expense related exclusively to the Limited Common Elements shall be allocated only to the Boat Slip Units, and the Residential Units shall have no interest therein or liability therefor.

#### 4. Easements.

4.1 Easement for Encroachments. If any portion of the Common Elements encroaches upon any Unit, or if any Unit encroaches upon any other Unit or upon any portion of the Common Elements as a result of the manner in which they were constructed, or as a result of settling or shifting of the Boat Slip Units or as a result of alterations or refurbishing of the Common Elements or one or more Boat Slip Units made by or with the consent of the Executive Board, a valid easement for the encroachment and for the maintenance of the same shall exist so long as it continues. In the event any portion of the improvements, a Boat Slip Unit or Common Elements, shall be partially or totally destroyed as a result of fire or other casualty, or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachments of parts of the Common Elements upon any Unit, or of any Unit upon any other Unit or upon any portion of the Common Elements due to such rebuilding, the encroachment shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as it continues.

4.2 Utility Easements. An easement is hereby established and exists for any maintenance, repair or replacement of any and all pipes, wires, conduits or other utility lines running through or around any Unit.

4.3 Access Easements. An easement is hereby established and exists in favor of the Association, exercisable by the Executive Board and its authorized agents, to enter any Unit or any Limited Common Element from time to time after reasonable notice (except in an emergency) as may be necessary for the operation of the Condominium.

4.4 Ingress/Egress Easements. Each Unit Owner shall have an easement over the Common Elements as may be necessary to access such Owner's Unit.

4.5 Reservation to Association. The right to amend, alter, quit-claim or to release and exchange the easement for egress, ingress and utilities shall rest and be

reserved to the Executive Board of the Association. Notwithstanding the foregoing, rights of ingress and egress shall be preserved for the benefit of all Owners.

5. Maintenance, Alteration and Improvement. Responsibility for the maintenance of the Condominium property and improvements thereon, and restrictions upon the alteration and improvement of such property shall be as follows:

5.1 Maintenance, Repair and Replacement.

A. By the Association. The Association shall maintain, repair and replace as a Common Expense:

(1) All of the Common Elements, including all Limited Common Elements, including but not limited to, access ways and parking areas, clubhouse, swimming pool, manufactured dock, piers and approaches, and landscaping.

(2) All conduits, plumbing, wiring and all facilities necessary and proper to furnish Utility Services to the Common Elements and Boat Slip Units.

B. The Boat Slip Unit Owner. The responsibility of a Boat Slip Unit Owner shall be as follows:

(1) To maintain, repair and replace at his or its expense all portions of the Boat Slip Unit not shown as a Common Element or a Limited Common Element on Exhibit "B-4".

(2) Not to paint or otherwise change or decorate the appearance of the Boat Slip Unit without obtaining the prior written consent from the Executive Board of the Association.

(3) To promptly report to the Association any defects or need for repair for which the Association is responsible.

C. The Residential Unit Owner. A Residential Unit Owner shall maintain, repair and replace any and all portions of the Residential Unit and all improvements constructed thereon, and shall insure such Unit and all improvements thereon against all hazards, including fire, windstorm, and flood insurance.

5.2 Improvements and Alterations.

A. Common Elements. Following completion of the improvements included in the Common Elements as shown on Exhibit "B-1", Exhibit "B-2", Exhibit "B-3" and Exhibit "B-4" there shall be no alteration nor further improvement of the real property constituting the Common Elements without prior approval in writing of the Executive Board. Any such alteration or improvement shall not interfere with the rights of any Owner affected thereby without the consent of such affected Owners. The cost of such work shall not be assessed against a lender that acquires its title as the result of foreclosing its mortgage upon the Unit owned, unless such lender shall approve the alteration and improvement. The share of any cost not so assessed shall be assessed to the other Unit Owners in accordance with their respective Allocated Interests. There shall be no change in the Allocated Interests and other rights of a Unit Owner in the Common Elements altered or further improved, whether or not the Unit Owner contributes to the cost of such alteration or improvements.

B. Boat Slip Units. Neither a Boat Slip Unit Owner nor the Association shall make alterations to any portion of a Boat Slip Unit, nor remove any portion of such, nor make any additions to them or do anything that would jeopardize the safety or soundness of a Boat Slip Unit or any adjoining contiguous Boat Slip Unit, or impair any easement without first obtaining approval in writing of the Executive Board and all Owners of all of the Boat Slip Units contiguous or adjacent to the area in which such work is to be performed.

C. Residential Units. A Residential Unit Owner shall, prior to construction of any improvements thereon or the alteration of any existing improvements, submit plans and specifications for all such proposed improvements or alterations to the Executive Board of the Association for approval. Approval shall not be unreasonably withheld. Any such approval by the Executive Board shall not establish liability of the Executive Board or any individual member thereof to any contractor, subcontractor, materialmen, architect or engineer by reason of such improvement or alteration, or to any person having any claim for injury to person or property therefrom. All such improvements or alterations shall be performed at the sole cost and expense of the Residential Unit Owner.

D. Combination or Subdivision of Units. No Unit may be subdivided into two (2) or more Units. Adjoining Units may not be combined into one (1) Unit, nor may the boundaries be relocated between adjoining Units unless the Executive Board of the Association expressly approves in writing. In the event of such approval, the Association shall prepare and file an amendment to this Declaration identifying the Units involved and the applicable reallocations, and the Unit Owners requesting such

combination or reallocation shall pay all costs incurred by the Association relating to same.

6. Assessments. The making and collection of assessments against a Unit for expenses shall be pursuant to the Bylaws and subject to the following provisions:

6.1 Regular Assessments. The Association, acting through the Executive Board, shall from time to time determine the amount of regular total assessment necessary to defray the Common Expenses for a given period. When setting the regular total assessment, the Association should include both (i) those funds required during the period for general operating purposes, and (ii) reserve funds to be used to help defray the cost of future capital improvements.

6.2 Obligation to Pay. Subject to Section 6.4 below pertaining to Limited Common Elements, each Unit Owner shall be liable for his Common Expense Liability in accordance with his Allocated Interest as fixed and established by this Declaration, the Bylaws, and the Kentucky Condominium Act. The Association shall inform each Owner of the amount of the Common Expense Liability due from that Unit Owner, and the date such assessment is due. If the mortgagee of a first mortgage of record, or any other purchaser or purchasers of a Unit which obtains title to the Unit as a result of the foreclosure of the first mortgage, or by voluntary conveyance in lieu of such foreclosure, such acquirer of title, his successors and assigns, shall not be liable for assessments pertaining to such Unit or chargeable to the former Owner of such Unit which became due prior to acquisition of title as a result of the foreclosure or voluntary conveyance in lieu of said foreclosure, unless the assessment is secured by a lien that is recorded prior to the recording of the foreclosed mortgage. Such unpaid assessments shall be deemed to be Common Expenses collectible from all of the Owners of all Units, including such acquirer, his successors and assigns. A first mortgagee, acquiring title as aforesaid, shall, during the period of its ownership of such a Unit, whether or not such Unit is occupied or unoccupied, be liable for the Common Expense Liability allocated to such Unit.

6.3 Address of Unit Owner. Each Unit Owner has the responsibility of keeping the Association informed of the Owner's current address for the purposes of notifications, including that of assessments.

6.4 Common Expense Liability for Limited Common Elements. Notwithstanding any provision in this Master Deed to the Contrary, the Residential Unit Owners shall have no liability for any Common Expense Liability or assessment that is



related to any Limited Common Element, all of which are reserved for the exclusive use of the Boat Slip Units.

6.5 Interest; Application of Payments. Assessments and installments on such assessments for each Owner's Common Expense Liability not paid on or before thirty days after the date when due shall bear interest at the rate of twelve percent (12%) per annum from the date when due until paid. All payments upon any delinquent account shall be first applied to interest and then to the assessment payments first due.

6.6 Lien for Assessments. Any unpaid assessments, together with any accrued interest and costs of collection (including lien preparation charges, filing fees, court costs and reasonable attorney's fees) shall be a charge and continuing lien upon the Unit which such assessment was made, and shall also be the personal obligation, jointly and severally, of each Owner of the Unit. The Association may bring an action at law against the Unit Owner(s) personally obligated to pay same and/or foreclose the lien against the Unit in like manner as a mortgage on real estate is foreclosed. At the foreclosure sale, the Association shall be entitled to bid upon the Unit. No Owner may waiver or otherwise escape liability for the assessments by non-use or waiver of the use of the Common Elements or by abandonment of such Owner's Unit.

6.7 Purchaser Subject to Master Deed. Any purchaser of a Unit at a foreclosure sale shall be automatically become a member of the Association and subject to this Master Deed.

6.8 Liability for Assessments upon Voluntary Conveyance. The personal liability of each Unit Owner to pay all assessments levied against the Unit shall pass to any subsequent grantee who takes title through contract, operation of law or any other instrument other than a commissioner's deed or a deed to a mortgagee in lieu of foreclosure. The original Unit Owner shall not be released from liability due to such conveyance, but shall be jointly and severally liable with the subsequent grantee.

6.9 Fine Assessment. The Association, after notice and an opportunity to be heard, may levy a reasonable assessment as a fine or penalty for a violation of this Declaration, the Bylaws, or any regulations adopted pursuant thereto. In addition, if any Common Element is intentionally or negligently damages or destroyed by the act or omission of an Owner or a family member, lessee or invitee of an Owner, the Association may make an individual assessment against such Owner's Unit for the expenses incurred due to such damage or destruction.

6.10 Emergency Assessment. The Association may levy an emergency assessment under the authority of and pursuant to KRS 381.9167(3) and (4).

7. Association. The operation of the condominium shall be by LOUISVILLE YACHT CLUB ASSOCIATION INC., a corporation not for profit, under the laws of the Commonwealth of Kentucky, which shall fulfill its functions pursuant to the following provisions:

7.1 Membership and Voting Rights. The Owner of any Unit, upon obtaining title to such Unit, shall automatically become a member of the Association and shall remain a member until such time as ownership of the Unit ceases for any reason. Each Unit Owner shall be entitled to one vote for each Unit owned, notwithstanding the fact that more than one person or entity may own a Unit.

7.2 Administration of Condominium. The Administration of the Regime, including but not limited to the use, maintenance, repair, replacement and restoration of the Common Elements, shall be performed by the Association in accordance with this Master Deed, the Association Bylaws, and the Kentucky Condominium Act. In Administering the Regime, the Association may exercise all of the rights and powers conferred by KRS 381.9167, and any other powers which may be necessary and proper for the governance and operation of the Association.

7.3 Executive Board. Administration of the Regime shall be conducted on behalf of the Association by an Executive Board elected by the Owners in accordance with the Bylaws of the Association.

7.4 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium property, the Association shall not be liable to the Unit Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association or caused by the elements, act of God, or other Owners or persons.

7.5 Restraint Upon Assignment of Assets. Each Owner's Allocated Interest in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as appurtenance to a Unit.

8. Insurance. The insurance, other than title insurance, that shall be carried upon the Common Elements and the Residential Units shall be governed by the following provisions:

8.1 Authority to Purchase; Named Insured. All insurance policies upon the Common Elements shall be purchased by the Association. The named insured shall be the Association individually and as agent for the Owners, without naming them, and as agent for their mortgagees.

8.2 Coverage.

A. Casualty. All Common Elements shall be insured in an amount not less than one hundred percent (100%) of the actual cash value thereof (excluding land, foundations, excavation and other items typically excluded therefrom), including:

(1) Loss or damage by fire and other perils covered by a standard extended coverage endorsement, and

(2) Such other risks as from time to time shall be customarily covered with respect to improvements similar in construction, location and use.

B. Public liability insurance, including medial payments insurance, covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements in such amounts and with such other coverage as shall be acquired by the Executive Board of the Association, including but not limited to hired automobiles and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the Boat Slip Unit owners as a group to a Boat Slip Unit owner.

C. Workmen's compensation policy to meet the requirements of law.

D. Such other insurance as the Executive Board of the Association shall determine from time to time to be desirable; provided, the Association shall not be required to insure any portion of the individual Units.

8.3 Policy Provisions. All insurance policies required to be maintained by the Association pursuant to Sections 8.2(A) and 8.2(B) shall provide:

A. That each Owner is an insured person under the policy with respect to liability arising out of such Owner's interest in the Common Elements or membership in the Association.

B. The insurer waives its right to subrogation under the policy against any Owner or member of such Owner's household.

C. No act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy, and that no policy may be cancelled, invalidated or suspended on account of the conduct of an office, director, or employee of the Association without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time to effect such cure.

D. That the Association's policy provides primary coverage in the event there is other insurance in the name of an Owner covering the same risk.

8.4 Premiums. Premiums upon insurance policies purchased by the Association shall be a Common Expense.

8.5 Association as Insurance Trustee; Share of Proceeds. All casualty insurance policies purchased by the Association shall be for the benefit of the Association and the Boat Slip Unit Owners and their mortgagees as their interests may appear. Any loss covered by the insurance required by Section 8.2(A) shall be adjusted by the Association, and all insurance proceeds for such loss shall be paid to LOUISVILLE YACHT CLUB ASSOCIATION, INC. The duty of the Trustee shall be to receive such proceeds as are paid and hold the proceeds in trust for the purposes elsewhere stated in this instrument for the benefit of the Boat Slip Unit Owners and their mortgagees.

8.6 Mortgagees. In the event a mortgagee endorsement has been issued as to a Boat Slip Unit, the share of the Boat Slip Unit Owner shall be held in trust for the mortgagee and the Boat Slip Unit Owner as their interests may appear; provided, however that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the Boat Slip Unit owner and mortgagee pursuant to the provisions of the Declaration.

8.7 Association as Agent. The Association is irrevocably appointed as agent for each Boat Slip Unit Owner and for each owner of a mortgage or other lien upon a Boat Slip Unit and for each owner of any other interest in the condominium property to adjust all claims for property damage arising under insurance policies

purchased by the Association and to execute and deliver releases upon payment of claims. The Association is authorized to execute and deliver releases and to accept claims for the Boat Slip Unit owners and for the owners of any other interest in the Condominium property, provided the Association has the consent of all approved mortgagees. This provision shall not be construed to confer upon the Association any authority with regard to any claims which a Boat Slip Unit Owner may have for personal injury.

8.8 Insurance for Residential Units. The Owner of a Residential Unit shall maintain public liability insurance and casualty insurance upon all improvements thereon in such amounts and with such coverages as may be reasonably requested by the Executive Board, but in no event shall the casualty insurance be in an amount less than one hundred percent (100%) of the actual cash value thereof (excluding land, foundations, excavation and other items typically excluded therefrom). A loss payable clause shall be made to the Association and, in the event of damage or destruction, the Residential Unit shall be reconstructed with the proceeds of such insurance. If the insurance proceeds are insufficient to repair or replace the loss, the Owner shall provide the additional funds to replace the Residential Unit in the same condition as existed prior to the loss. The insurance and the carrier shall be in an amount sufficient to replace the improvements placed thereon. Further, if the Residential Unit Owner does not provide an acceptable insurance policy, the Association may cause an insurance policy to be issued at the Residential Unit Owner's expense and the Association shall be entitled to a lien on said Unit for any premium or renewal thereof which lien may be enforced in accordance with Section 6.5 hereof.

## 9. Reconstruction or Repair of Common Elements After Casualty.

9.1 Use of Proceeds. Proceeds of insurance on account of damage or casualty to the Common Elements shall be disbursed first for the repair or restoration of the damaged property, and the Boat Slip Owners and any lienholder shall not be entitled to receive payment of any of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored or the condominium is terminated, in which case such surplus shall be distributed to the Boat Slip Owners in proportion to the Common Element interest of all such Units.

9.2 Repair or Replacement of Common Elements. Any portion of the Common Elements which are damaged or destroyed shall be promptly repaired or replaced by the Association, unless the Condominium is terminated or at least eighty

percent (80%) of the Boat Slip Owners, including every Boat Slip Owner of a Unit or assigned Limited Common Element which will not be rebuilt, votes not to rebuild.

9.3 Cost in excess of Proceeds. The cost of repair or replacement of the Common Elements in excess of the insurance proceeds and reserves shall be a Common Expense.

9.4 Entire Condominium not Repaired or Replaced. If the entire Condominium is not repaired or replaced, then:

A. The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged are to the condition comparable with the remainder of the Condominium.

B. The insurance proceeds attributable to Boat Slip Units and Limited Common Elements which are not rebuilt shall be distributed to the Owners of those Boat Slip Units and the owners of those Units to which the Limited Common Elements were allocated or to the lienholders, as their interests may appear.

C. The remainder of the proceeds shall be distributed to all the Boat Slip Owners or lienholders, as their interests may appear, in proportion to the Common Element interests of all the Boat Slip Units.

9.5 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with Exhibit "B-1", Exhibit "B-2", Exhibit "B-3" and Exhibit "B-4"; or if not, then according to plans and specifications approved by the Executive Board of the Association.

9.3 Responsibility of Boat Slip Unit Owners. If the damage is only to those parts of a Boat Slip Unit for which the responsibility of maintenance and repair is that of the Boat Slip Unit Owner, then the Boat Slip Unit owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

9.4 Responsibility of Residential Unit Owners. If all or any portion of a Residential Unit or any improvements constructed thereon are damaged or destroyed, the proceeds of insurance required to be carried by each Residential Unit Owner shall be used to repair or replace such Unit or improvements thereon to the same condition as existed prior to such damage or destruction. The cost of repair or replacement of a Residential Unit in excess of the insurance proceeds received by the Owner shall be borne by the Residential Unit Owner.

10. Use Restrictions. The use of the Condominium property shall be in accordance with the following provisions as long as the Condominium exists.

10.1 Boat Slip Unit. Each Boat Slip Unit shall be used only as a mooring and permanent dockage for boats and accessory use as related thereto.

10.2 Common Elements. The Common Elements shall be used only for the purposes for which they are intended. No Owner may place anything in the Common Elements, including any advertisement or notice, without the prior written approval of the Association. Anything placed or left in the Common Elements in violation of this provision shall be at the sole risk of the Owner and may be removed by or at the discretion of the Executive Board. Provided however, an Owner may display his name, insignia and flag to distinguish his Boat Slip Unit.

10.3 Nuisances. No nuisances shall be allowed upon the condominium property, nor any use or practice that is the source of annoyance to another Unit Owners or which interferes with the peaceful possession and proper use of the property by an Owner. All parts of the Condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No Owner shall permit any use of his Unit or make any use of the Common Elements that will increase the cost of insurance upon the Condominium property.

10.4 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium property nor any part of it; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modification or repair of the Condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

10.5 Leasing. There shall be no restrictions on Leasing. The Lessor shall furnish an executed copy of the Lease to the Association prior to occupancy by the Lessee.

10.6 Minors. Subject to any restrictions as may be imposed by any applicable law or regulation, there shall be no age restrictions imposed against users of the Condominium property. Provided, however, Unit Owners shall closely supervise minors to insure that they do not become a nuisance to other Owners.

10.7 Regulations. Reasonable regulations concerning the use of the Condominium property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and Bylaws. Copies of such regulations and amendments shall be furnished by the Association to all Owners.

10.8 Dock Boxes. All Dock boxes or other appurtenances of each Boat Slip Unit shall not intrude into the Common Elements more than six (6) inches and shall not be permanent in nature. In addition, access for repairs and service shall be maintained at all times.

10.9 Pets. Usual household pets are permitted, subject to reasonable limitations as to their use, restraint and conduct as may be further promulgated by the Executive Board from time to time.

11. Notice to Association of Sale of Unit. Any Owner making a bona fide sale of his or her Unit or any interest therein shall give to the Association notice of such sale, together with the name and address of the purchaser.

12. Compliance and Default. Each Unit Owner shall be governed by and shall comply with the terms of this Master Deed, Bylaws of the Association, and the regulations adopted pursuant to those documents, as they may be amended from time to time. Failure of an Owner to comply with such documents and regulations shall entitle the Association or other Owners to the following relief in addition to the remedies provided by the Kentucky Condominium Act:

12.1 Negligence. An Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or intentional act or omission or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. An Owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or abandonment of a Unit or its appurtenances, or of the Common Elements, by the Owner.

12.2 Costs and Attorney's Fees. In any proceeding, whether in law or equity and whether seeking monetary damages, equitable or injunctive relief, arising because of an alleged failure of an Owner or the Association to comply with the terms of the Master Deed or the Bylaws of the Association or the regulations adopted pursuant to them, as they may be amended from time to time, the prevailing party shall be



entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court.

12.3 No Waiver of Rights. The failure of the Association or any Boat Slip Unit Owner to enforce any covenant, restriction, or other provisions of the Kentucky Condominium Act, this Master Deed, the Bylaws of the Association or the regulations adopted pursuant thereto shall not constitute a waiver of the right to do so thereafter.

12.4 Interpretation. The interpretation of any provision of this Master Deed, the Bylaws, or any regulation by The Executive Board shall be final and binding on each Owner.

13. Amendments. Except as elsewhere provided otherwise, this Master Deed may only be amended in the following manner:

13.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

13.2 A resolution for the adoption of a proposed amendment may be proposed by either the Executive Board of the Association or by members of the Association. Directors and Owners not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the secretary at or prior to the meeting. Provided, however, such amendment shall not change the configuration or size of any Unit in any material fashion or materially alter or modify the appurtenances to any such Unit nor change the Allocated Interest attributed to any Unit, unless the record Owner thereof shall join in the execution of the amendment. Any such amendment may only be made by the vote or agreement of the Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated.

13.3 Proviso. Provided, however, that no amendment shall discriminate against any Unit Owner nor against any Unit or class or group of Units unless the Unit Owners so affected shall consent; and no amendment shall change any Unit nor the Allocated Interest of such Unit in the Common Expenses, unless the record owner of each Unit concerned shall join in the execution of the amendment.

13.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the President of the Association with the formalities of a

deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Oldham County, Kentucky.

14. Termination. Except in the case of the taking of all Units by eminent domain, the Condominium may only be terminated by the agreement of at least eighty percent (80%) of the Unit Owners.

14.1 Agreement. The agreement to terminate the Condominium shall be evidenced by the execution of an agreement by at least eighty percent (80%) of the Unit Owners in the same manner as a deed, which agreement shall be effective only upon recording in the Public Records of Oldham County, Kentucky. The termination shall specify a date after which the agreement is void unless recorded before that date.

14.2 Sale by Association. The Association, on behalf of all Unit Owners, may contract for the sale of real estate in the Condominium, but unless approved by at least eighty percent (80%) of the Unit Owners, such contract shall not be binding upon the Unit Owners. If any real property is to be sold following termination, title to such real estate shall vest in the Association as trustee for the holders of all interests in the Units effective as of the termination, and the Association shall have all powers necessary to effect the sale. Proceeds of the sale shall be distributed to the Unit Owners and lienholders as their interests may appear, and the interests of the Owners shall be as provided in Section 14.4. As long as the Association holds title to the real estate, each Unit Owner shall have an exclusive right to occupy the portion that formerly constituted such Owner's Unit, and each Owner remains liable for all assessments and other obligations imposed on the Owners by this Declaration.

14.3 No Sale by Association. If the Condominium property is not to be sold following termination, title to all real estate shall vest in the Unit Owners as tenants in common in proportion to their respective interests as provided in Section 14.4. While the tenancy in common exists, each Unit Owner shall have an exclusive right to occupy that portion of the real estate that formerly constituted such Owner's Unit.

14.4 Interests Following Termination. The respective interests of all Unit Owners shall be the fair market value of his or her Unit and Allocated Interest in the Common Elements immediately prior to the termination, as determined by one (1) or more independent appraisers selected by the Association. The decision of the independent appraisers shall be distributed to the Owners and becomes final unless disapproved within thirty (30) days after distribution by at least twenty-five percent (25%) of the Unit Owners. In addition, all Unit Owners shall have an interest in any of the property and assets of the Association according to their Allocated Interest.

15. Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration shall not affect the validity of the remaining portions.

16. Singular, Plural, Gender. Whenever the context so permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.

17. No Representations or Warranties. No representations or warranties, expressed or implied, shall be made or given by the Developer, the Association or the Executive Board to any Owners, governmental agencies, both federal and state, and to any broker or financial institutions as to the physical condition of the Units or any portion of the Common Elements, their zoning or other classifications, fitness or intended use, or the cost of maintenance for Units or Common Elements.

18. PRIORITY. As to priority between the lien of a recorded mortgage and the lien for an assessment, the lien for assessment shall be subordinate and inferior to any recorded institutional first mortgage regardless of when said assessment was due, unless such assessment is secured by a lien that is recorded prior to the recording of the mortgage, but not to any other mortgage. The Association shall maintain a register of institutional first mortgage. Where an institutional first mortgage by some circumstance fails to be a first mortgage but it is evident that it is intended to be a first mortgage, it shall, nevertheless, for the purposes of this Declaration be deemed to be an institutional first mortgage.

19. All Units shall be conveyed subject to the following restrictions:

A. Subject to taxes for current year.

B. Riparian rights of others to use the Ohio River and to use Pond Creek, which traverses subject subdivision as shown on revised plat recorded in Plat Book 3, Page 66, in the aforesaid Clerk's office.

C. Easement in favor of the United States of America dated August 31, 1933, recorded in Deed Book 53, Page 634, which grants the perpetual right and easement to flood as may be necessary from time to time by means of the erection and operation of Dam No. 41 at its present height across the Ohio River at Louisville, Kentucky, that portion of the property lying and being below the 426-foot contour above mean sea level, Sandy Hook Datum.

D. Easement to Louisville Gas and Electric Company, 10 feet in width, for telephone and electric transmission lines, as recorded in Deed Book 52, Page 516; said easement being shown as 15 feet in width as drawn on the revised plat of Dream Harbor Subdivision, Section 2, recorded in Plat Book 3, Page 66, in the aforesaid Clerk's office.

E. Rights of others to use the 40-foot access roadway which runs parallel with Rose Island Road in front of Lots 4 through 15, as shown on revised recorded plat of Dream Harbor Subdivision, Section 2, recorded in Plat Book 3, Page 66, in the aforesaid Clerk's office.

F. Easement to Louisville Gas and Electric Company, for electric and telephone line or lines, etc., as stated in and shown on plat attached to Deed recorded in Deed Book 155, Page 7, and as shown on revised plat of Dream Harbor Subdivision, Section 2, recorded in Plat Book 3, Page 66, in the aforesaid Clerk's office.

G. Stipulations, easements and restrictions as to utility and drainage easements as stated on plat of Dream Harbor Subdivision, Section 2, recorded in Plat Book 3, Page 56, and in revised plat of which is recorded in Plat Book 3, Page 66, in the aforesaid Clerk's office, which provide for ingress and egress to the easements, right to trim trees or cut down any trees interfering with the utility, and restriction as to construction of permanent structures within the easement, in any manner that may interfere with the electric or telephone lines.

H. Building limits as shown on plat of Dream Harbor Subdivision, Section 2, recorded in Plat Book 3, Page 56, and in revised plat of which is recorded in Plat Book 3, Page 66, in the aforesaid Clerk's office.

I. Road Maintenance Agreement for access roadway as recorded in Deed Book 161, Page 120, which provides for \$8.00 per month per lot payment, beginning January 1, 1977, which is not a lien on the property.

J. Right-of-way Easement to Louisville Gas and Electric Company for electric lines, etc., recorded in Deed Book 202, Page 131, in the aforesaid Clerk's office.

K. Right-of way Easement to South Central Bell Telephone Company dated November 5, 1980, and recorded in Deed Book 210, Page 10, in the aforesaid Clerk's office.

L. Right-of-way Easement to South Central Bell Telephone Company dated October 7, 1980, and recorded in Deed Book 210, Page 8, in the aforesaid Clerk's office.

M. Right-of-way Easement to Louisville Gas and Electric Company dated September 15, 1980, recorded December 22, 1980, in Deed Book 210, Page 298, in the aforesaid Clerk's office.

N. Easement granted to Louisville Gas and Electric Company by instrument dated April 20, 1981, and recorded May 14, 1981, in Deed Book 217, Page 125, in the aforesaid Clerk's office. (Pole line and equipment as constructed to determine the centerline of 15-foot easement).

O. Easement granted to South Central Bell Telephone Company by instrument dated May 5, 1981, and recorded July 31, 1981 in Deed Book 221, Page 171, in the aforesaid Clerk's office.

P. Easement granted to Louisville Gas and Electric Company by instrument dated June 9, 1981 and recorded July 16, 1981, in Deed Book 220, Page 284, in the aforesaid Clerk's office. (Service pole and equipment as constructed to determine location of easement).

Q. Easement granted to Louisville Gas and Electric Company by instrument dated April 13, 1982, and recorded May 25, 1982, in Deed Book 233, Page 40, in the aforesaid Clerk's office. (Stub pole, anchors and guys as constructed to determine location).

R. Easement granted to South Central Bell Telephone Company by instrument dated June 9, 1982, and recorded June 17, 1982, in Deed Book 233, Page 276, in the aforesaid Clerk's office.

S. Right-of-way Easement to Louisville Gas and Electric Company dated May 7, 1984, recorded May 25, 1984, in Deed Book 259, Page 350, in the aforesaid Clerk's office.

T. Right-of-way Easement to Louisville Gas and Electric Company dated May 14, 1984, recorded May 25, 1984, in Deed Book 259, Page 352, in the aforesaid Clerk's office.

U. Right-of-way Easement to Louisville Gas and Electric Company dated October 9, 1985, recorded October 17, 1985, in Deed Book 279, Page 185, in the aforesaid Clerk's office.

V. Easement granted to Insight Communications, L.P. by instrument dated September 30, 1991 and recorded October 4, 1991 in Deed Book 390, Page 306 in the aforesaid Clerk's office.

W. First Addendum to Grant of Easement and Agreement for Maintenance with River Glades, LLC, Jesse C. Bollinger Jr., Thomas N. Ryan III, Charles A. Osborne Jr. and R. Frank Taylor, by instrument dated July 3, 2006 and recorded on November 6, 2006 in Deed Book 881, Page 98 in the aforesaid Clerk's office.

20. The Department of the Army, Louisville District, Corp. of Engineers, Louisville, Kentucky, has issued ORLOP-FS, Permit 73-010, authorizing the construction of a marine harbor in the Ohio River, left bank, Mile 592.8, Oldham County, Kentucky.

[signature pages follow]



Owner, Boat Slip Unit # \_\_\_\_\_  
[or Residential Unit A, B, or C]

By: \_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

COMMONWEALTH OF KENTUCKY )  
 ) ss  
COUNTY OF \_\_\_\_\_ )

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to administer oaths and take acknowledgments, personally appeared \_\_\_\_\_ and, who, upon being duly sworn, acknowledged that he/she executed the foregoing instrument for the uses and purposes set forth therein.

WITNESS my hand and official seal this the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public (SEAL)

COMMONWEALTH OF KENTUCKY )  
 ) ss  
COUNTY OF \_\_\_\_\_ )

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to administer oaths and take acknowledgments, personally appeared \_\_\_\_\_, who, upon being duly sworn, acknowledged that he/she executed the foregoing instrument for the uses and purposes set forth therein.

WITNESS my hand and official seal this the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

My commission expires: \_\_\_\_\_



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Notary Public (SEAL)

## Exhibit "A"

### LEGAL DESCRIPTION

Beginning at an iron pipe in the West line of Rose Island Road, at the west Southeasterly corner of Lot 15, Dream Harbor Subdivision Section 2, as shown on the plat of same recorded in Plat Book 3, page 56, a revised plat of which is recorded in Plat Book 3, page 66, in the office of the Clerk of Oldham County, Kentucky; thence with the southerly line of Lot 15 aforesaid S 77° 23' 42" W 566.33' to an existing iron rod in a board fence, and being in the line of the tract conveyed to Jane M. Finlayson et. al by Wimsatt Construction, Inc., as recorded in Deed Book 132 page 211 in the office of the Clerk of Oldham County, Kentucky, thence with the board fence S 89° 38' 59" W 26.77' to an iron rod, thence S 89° 38' 59" W 86.15' to an iron rod, thence N 65° 40' 12" W 55.18' to an iron rod, thence S 23° 01' 31" W 87.78' to an iron rod, thence S 71° 45' 17" W 70.91' to an iron rod, thence S 50° 45' 03" W 70.78' to an iron rod, thence S 18° 40' 12" W 39.72' to an iron rod, thence S 32° 58' 13" E, 18.80' to an iron rod, thence S 55° 24' 02" W 24.11' to an iron rod in the original line of Lot 15 aforesaid, thence with the line of Lot 15 aforesaid, the following courses and distances, S 40° 04' 28" W 537.46' to a point, S 37° 57' 10" W 164.92' to a point. Thence S 02° 04' 39" W 396.96' to a point, thence N 89° 28' 32" W 528.35' to a point, thence N 09° 32' 10" E 298.04' to a point, thence N 57° 12' 59" E 29.21' to a point, thence N 07° 04' 25" E 108.00' to a point, thence N 57° 12' 59" E 155.24' to a point, thence with a curve to the left having a radius of 417.98' and whose chord is N 46° 00' 59" E 162.37' to a point, thence N 34° 48' 59" E 553.20' to a point, thence N 34° 59' 19" E 4.38' to a point common to Lot 15 and Lot 7 Dream Harbor aforesaid. Thence with the West line of Lot 7 aforesaid, N 06° 08' 00" E 75.25' to a point, thence N 26° 39' 43" E 360.45' to a point, thence N 31° 24' 01" E 532.59' to a point common to Lot 7, Lot 10 and Lot 11 Dream Harbor aforesaid, thence with the line of Lot 11 aforesaid, S 58° 40' 57" E 250.40' to the Northwest corner of Lot 12 Dream Harbor aforesaid, thence S 21° 21' 20" W 168.11' to the southwest corner of Lot 12 aforesaid to a point common to Lot 15 aforesaid, thence with a line common to Lot 15 and Lot 12 aforesaid N 84° 30' 58" E 260.00' to a point at the northwest corner of Lot 13 aforesaid, thence with a line common to Lot 15 and Lot 13 and Lot 14 Dream Harbor Subdivision aforesaid, S 07° 07' 38" E 335.30' to a point at the southwest corner of Lot 14 aforesaid, thence with a line common to Lot 14 and Lot 15 aforesaid N 77° 23' 42" E 291.77' to a point in the west line of Rose Island Road, at the Southeast corner of Lot 14 aforesaid, thence with the west line of Rose Island Road S 18° 10' 09" E 150.00' to the point of beginning and being a part of Lot 15 and Lot 7 Dream Harbor Subdivision, Section 2 as shown on the plat of same recorded in Plat Book 3 page 56, a revised plat of which is recorded in Plat Book 3 page 66, in the office of the Clerk of Oldham County, Kentucky.