

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

CATALPA SPRINGS, Section 1

Plat and Subdivision Book 46. Page 60
Jefferson County, Kentucky

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS .FOR CATALPA SPRINGS (this "Declaration") is made on March 16 2000, by CATALPA SPRINGS, a Kentucky joint venture (the "Developer").

WHEREAS, Developer owns certain real property in Jefferson County, Kentucky, which is to be developed as a residential subdivision;

NOW, THEREFORE, Developer hereby declares that all of the property described in Article I, Section 1, and such additions as may be made pursuant to Article I, Section 2 (the "Property"), shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of the Property. The easements, restrictions, covenants and conditions shall run with the Property and be binding on all parties having any right, title or interest in it, and their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner.

ARTICLE I

PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS

Section 1. Existing Property. The real property which is subject to this Declaration is located in Jefferson County, Kentucky and is more particularly described as follows

BEING Lots 1 through 56 inclusive as shown on the plat of Catalpa Springs, Section 1 of record in Plat and Subdivision Book 46, Page 60, in the Jefferson County Clerk's office.

Being a portion of the same property acquired by Developer by Deed dated December 8, 1999, of record in Deed Book 7367, Page 273, in the aforesaid Clerk's office.

Section 2. Additions of Existing Property. Additional residential property and common areas may become subject to this Declaration, or may be annexed to the real property subject to this Declaration, as follows:

A. Additions in Accordance with a General Plan of Development. Developer intends to make this section containing 56 lots part of a larger subdivision to be developed in accordance with current plans and known as Catalpa Springs Subdivision ("Catalpa Springs"). Additional land may be included by Developer as other sections of Catalpa Springs.

Developer reserves the right to create cross easements and to restrict all of the properties according to the terms of this Declaration. The common area initially covered by this Declaration shall inure to the benefit of the owners

of any new lots within Catalpa Springs which may become subjected to this Declaration or a similar set of deed of restrictions and any additional lots on other real estate which may hereafter by annexed to and made a part of Catalpa Springs and subjected to this Declaration or a similar set of deed restrictions, and the common area allocable to the owners of all such lots, shall inure to the benefit of the owners of lots recorded earlier, each to enjoy the common area of the other and to have and to hold the same as if each new lot had been developed and subjected to this Declaration simultaneously.

All additions shall be made by filing with the Office of the Clerk of Jefferson County, Kentucky, a Supplementary Declaration of Covenants, Conditions and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property. The Supplementary Declaration may contain additions as may be necessary to reflect the different character, if any, of the added properties.

B. Other Additions. Additional residential property and common area which are not presently a part of the general plan of development of Catalpa Springs may be annexed to Catalpa Springs by Developer.

Section 3. Amendment. This article shall not be amended without the written consent of Developer, as long as Developer owns any of the Property.

ARTICLE II HOMEOWNERS ASSOCIATION

Section 1. Membership. Developer and every owner of a lot which is subject to an assessment shall be a member of a maintenance association called the Catalpa Springs Homeowners Association (the "Association"). Such owner and member shall abide by the Association's rules and regulations, shall pay the assessments provided for in this Declaration, when due, and shall comply with decisions of the Association's governing body. If the Association is incorporated, its Board of Directors shall be the governing body of the Association. Conveyance of a lot by deed automatically transfers membership in the Association without necessity of further documents. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

Section 2. Classes of Membership. The Association shall have two classes of voting membership:

A. Class A. Class A members shall be all of lot owners, with the exception of Developer.

B. Class B. The Class B member shall be Developer. The Class B membership shall cease and be converted to Class A membership on the happening of any of the events specified in Paragraph C below, whichever occurs earlier.

C. Each member shall have one vote with respect to each lot owned by such member but a Class A member shall not be entitled to exercise any vote until the earlier of

[1] When Developer, in its sole discretion, so determines;

[2] Within 120 days following the date when 100 percent of the lots which may be developed on the Property have been sold by Developer; or

[3] January 1, 2010.

Section 3. Rights and Obligations of the Association. The Association shall maintain, operate and keep in good repair, unless such obligations are assumed by any municipal or governmental agency having jurisdiction thereof, the common areas, including, without limitation, any open spaces, entranceways, signature entranceways, streets, medians, sidewalks, retention/detention basins, recreational facilities, tree preservation areas, landscaping buffer and landscaping located therein. The Association shall have the right to employ a manager to oversee and implement the Association's maintenance obligations and any such management fees incurred thereby shall be paid by the Association. The Association shall also perform the other duties prescribed by this instrument or the Association's rules and regulations, which duties may include maintenance and grass cutting assignments on the lots, collection of garbage, and maintenance and repair of sewers and streets. All rights reserved by Developer in this Declaration shall automatically pass to the Association when Class B membership ceases pursuant to Article II, Section 2, and thereafter any reference to Developer shall be construed to mean the Association.

ARTICLE III PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment: Exceptions. Every owner shall have a right and easement of enjoyment including, without limitation, the right of pedestrian ingress and egress, in and to the "common areas" which shall be appurtenant to and shall pass with the title to every lot. The right and easement shall also be deemed granted to the Association and the lot owners' families, guest, invitees, servants, employees, tenants and contract purchasers. The term "common areas" means and refers to the common open space and public utility easements, all maintained for the common use, enjoyment and mutual benefit of the lot owners as hereinabove stated. Developer releases and quitclaims to the Association its right and title to the common areas. The right of enjoyment is subject to the following provisions:

A. The right of the Association to suspend the voting rights of an owner for any period during which any assessment against his lot remains unpaid, and for a period of time for any infraction of its published rules and regulations; and

B. The right of the Association to dedicate or transfer all or any part of the common areas to any public agency, authority or utility upon (i) agreement by such agency, authority or utility for such purposes, (ii) the approval of the Louisville and Jefferson County Planning Commission and (iii) subject to such conditions as may be agreed to by a majority of the members of the Association; provided, any public utility easements previously established shall not be affected. Developer may dedicate utility, service or drainage easements upon, through or under the common areas at its sole discretion so long as there is in existence the Class B membership in accordance with Article II, Section 2. When Class B membership ceases, this right of Developer shall automatically pass to the governing body of the Association.

Section 2. Association's Right of Entry. The authorized representative of the Association or its governing body shall be entitled to reasonable access to individual lots as may be required in connection with the preservation of

property on an individual lot in the event of an emergency or in connection with the maintenance of, repairs or replacements within the common areas, or any equipment, facilities or fixtures affecting or serving other lots or the common areas or to make any alteration required by any governmental authority; provided, after any such entry the Association shall restore the lot to its former condition.

Section 3. No Partition. Except as is permitted in this Declaration or amendments thereto, there shall be no physical partition of the common areas or any part therefore, nor shall any person acquiring any interest in the Property have the right of judicial partition. This Section does not prohibit the governing body of the Association from acquiring and disposing of tangible personal property nor from acquiring title of real property which may or may not be subject to this Declaration.

ARTICLE IV ASSESSMENTS

Section 1. Assessments: Creation of the Lien and Personal Obligation. Each lot owner, except Developer and the Association, by acceptance of a deed for the lot, whether or not it shall be expressed in such deed, covenants and agrees to pay to the Association [i] annual or monthly assessments or charges, and [ii] special assessments for capital improvements, such assessments to be established and collected as provided in this Article IV. Developer shall be responsible for the maintenance costs of the Association incurred over and above assessed amounts payable to the Association by the lot owners, until Class B membership is converted to Class A membership pursuant to Article II, Section 2B. When Class B membership in the Association is converted to Class A membership, Developer shall pay assessments to the Association for each lot Developer owns, if any, in the same manner and amount as every other lot owner pays assessments. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Such lien may be enforced by foreclosure in the manner that mortgages are foreclosed in the Commonwealth of Kentucky. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment became due and payable. The personal obligation for delinquent assessments shall not pass to his or her successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments.

A. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents and in particular for the acquisition, construction, management, improvement, care and maintenance of properties, services and facilities devoted to this purpose, or for the use and enjoyment of the common areas, including but not limited to, the cost of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, payment of taxes assessed against the common areas, the procurement and maintenance of insurance in accordance with the Bylaws, the employment of attorneys, accountants and other professionals to represent the Association when necessary, and such other needs as may arise, and for the improvement and maintenance of the common areas.

B. Until Class B membership ceases and is converted to Class A membership pursuant to Article II, Section 2B, Developer or its nominee shall

administer the assessments and receipts therefrom, which may only be used for purposes generally benefiting the Property, as permitted in this Declaration.

Section 3. Maximum Annual Assessment.

A. Until December 31, 2000, the maximum annual assessment shall be set at a rate not to exceed \$20.00 per month per lot. From and after December 31, 2000, the maximum annual assessment may not be increased each year by more than 10% of the maximum assessment for the previous year without an affirmative vote of a majority of each class of members pursuant to the Association's rules and regulations.

B. The governing body of the Association may fix the annual assessment at an amount not in excess of the maximum. The governing body of the Association shall determine when the assessments shall be paid.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common areas, including fixtures and personal property related thereto. Any such assessment shall have the assent of the members of the Association in accordance with the rules and regulations of the Association.

Section 5. Uniform Rate of Assessment. Both annual and special assessments shall be fixed at a uniform rate for all lots, except those owned by Developer during the period when Class B membership exists in the Association, as provided in Section 2 of Article II. The Association's governing body may, at its discretion, waive the assessment for any year or part of a year for any lot not occupied as a residence.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall begin as to any lot subject to the assessment on the first day of the month next following the date on which title to the lot is conveyed to the owner, subject to the waiver provided in Section 5 of this Article. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year when title to the lot is transferred. The governing body of the Association shall determine the dates when assessments are due.

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid by the due date shall be subject to a late charge as determined by the Association's governing body. The Association may

bring an action at law against the owner personally obligated to pay the assessment, or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of such assessments. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common areas or abandonment of his lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien or liens provided for in the preceding sections. However, the sale or transfer of any lot pursuant to a first mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot owner from liability for any assessment thereafter becoming due or relieve such lot from the lien for any assessments thereafter becoming due.

ARTICLE V USE RESTRICTIONS

Section 1. Primary Use Restrictions. No lot shall be used except for private single family residential purposes. No structure shall be erected, placed or altered or permitted to remain on any lot except one family (including any domestic servants living on the premises), not to exceed two and one-half stories in height in the front.

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

Section 3. Use of Other Structures and Vehicles.

A. No structure including, without limitation, an outbuilding, shed, trailer, basement, tent, shack, garage, barn or structure other than the main residence erected on a lot shall be permitted on any lot except temporary sheds or field offices used by a builder or Developer, which shall be approved in writing by Developer and removed when construction or development is completed, and no such structure shall at any time be used as a residence, temporarily or permanently.

B. No trailer, truck, motorcycle, commercial vehicle, camper trailer, camping vehicle, boat or other recreational type vehicle shall be parked or kept on any lot any time unless housed in a garage or basement. No automobile which is inoperable shall be parked or kept on any lot (except in the garage) or on any street in the subdivision. No trailer, boat, truck, or other vehicle, except an operational automobile, shall be parked on any street in the subdivision and

no operational automobile shall be parked on any street for more than 24 hours in any one calendar year.

Section 4. Animals.

A. No animals, including reptiles, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other household pets (meaning the domestic pets traditionally recognized as household pets in this geographic area) may be kept, provided they are not kept, bred or maintained for any commercial or breeding purposes. Any such pets shall be kept on the owner's lot or leashed when not on the owner's lot. The design, location and size of all exterior shelters for such household pets shall be approved in writing by the Developer.

B. No person in charge of a dog, cat or other household pet shall permit or allow such animal to excrete manure or feces on any lot in Catalpa Springs (other than that lot of the owner or person in charge or control of such animal) or on any street, sidewalk or right-of-way in Catalpa Springs, unless the owner or person in control of such animal immediately removes all feces deposited by such animal and disposes the same in a sanitary manner.

Section 5. Clothes Lines: Awnings: Fences and Walls: Patios and Decks: Tennis Courts: Swimming Pools: Exterior Air Conditioning Units and Compressors: Antennae and Receivers: Transmitters.

A. No outside clothes lines shall be erected or placed on any lot.

B. No awnings or other similar exterior window coverings shall be installed on a residence without the prior written consent of the Developer.

C. No fence, hedge or wall may be erected, placed, planted or altered on any lot until construction plans are approved in writing by Developer pursuant to Article VI, Section 1, of this Declaration. Approved fencing shall be maintained to preserve an attractive appearance from the exterior of each lot and shall be located on the lot in a location considered aesthetically attractive by Developer, in Developer's sole discretion. All fencing shall be of a French Gothic style, constructed of Western Red Cedar, which must be retain in its natural finish. If approved, fence height shall be either four or six feet and boards shall be either solid or spaced. If spaced, the spacing between each board shall not exceed two inches. Wire and chain link fences are not permitted and will not be approved by the Developer.

Only the rear yard shall be fenced and fence material may not extend toward the front or street side property line beyond the rear side walls of the house. Notwithstanding the foregoing, no perimeter fence or wall shall be constructed or placed on any Lot (each a "Restricted Lot") that is contiguous to Pennsylvania Run Road, including Lots 1, 2 and 56. However, a fence may be constructed or placed on a Restricted Lot if (i) such fence is used to enclose outdoor recreational facilities such as a swimming pool, patio and/or Jacuzzi (provided such outdoor recreational facilities are approved in accordance with the terms of this Declaration) and (ii) construction plans for such fencing including, but not limited to, size, style, configuration and location are approved in writing by the Developer, in Developer's sole discretion. No fencing shall extend into a drainage swale or drainage swale easement.

D. All patios and/or decks (including stairs, ramps, etc.) shall be in the rear yard and not extend beyond the side walls of the house (including attached garage).

E. No above ground swimming pools shall be erected or placed on any lot. However, in-ground swimming pools, tennis courts, hot tubs and spas may be permitted if design and placement thereof are approved in writing, in advance of construction, by Developer, at Developer's sole discretion.

F. All exterior heating and air conditioning units and compressors shall be in the rear yard and not extend beyond the side walls of the house (including attached garage).

G. No antennae, masts, poles, microwave or any other similar type receivers or transmitters (including those currently called "satellite dishes") or appurtenances shall be erected or placed on any lot unless its design and placement are approved in writing by Developer.

H. All exterior play equipment located on any lot, including without limitation, swing sets, jungle gyms, and similar equipment, shall be subject to the prior written approval of the Developer in its sole discretion, and all lot owners and residents of Catalpa Springs are advised to obtain the approval of Developer prior to the construction or placement of any such equipment on any lot.

Sections 6. Duty to Maintain and Rebuild.

A. Each owner of a lot shall at its sole cost and expense, repair his residence, keeping the same in condition comparable to the condition of such residence at the time of its initial construction. Every residence shall have proper window coverings (no sheets or other material of a temporary nature) placed over windows within thirty (30) days of occupancy. Without the prior

written approval of the Developer, no aluminum foil, tinted or reflector glass or other tinted or reflective material shall be installed or maintained on any window.

B. Each owner of a lot shall keep the lot neat and attractive in appearance. Should any lot owner fail to do so, then Developer or the Association may take such action as it deems appropriate in order to make the lot neat and attractive. The owner of that lot shall, immediately upon demand, reimburse Developer or other performing party for all expenses incurred in so doing, together with allowable statutory interest. Developer shall have a lien on that lot and the improvements thereon equal in priority to the lien for assessments provided in Article IV, Section 1 to secure the repayment of such amounts.

Such lien may be enforced by foreclosure.

C. If all or any portion of a residence is damaged or destroyed by fire, or other casualty, then the owner shall, with all due diligence, promptly rebuild, repair, or reconstruct such residence in a manner which will substantially restore it to its apparent condition immediately prior to the casualty. Alternatively, the lot owner shall completely raze the residence and sod or seed the entire lot until such time as construction of a new residence is begun.

Section 7. Business: Home Occupations. No trade or business of any kind (and no practice of medicine, dentistry, chiroprody, osteopathy and other like endeavors) shall be conducted on any lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood.

Section 8. Signs. No sign for advertising or for any other purpose shall be displayed on any lot or on a building or a structure on any lot, except one sign for advertising the sale or rent thereof, which shall not be greater in area than nine square feet; provided, however, Developer shall have the right to [i] erect larger signs when advertising the Property, [ii] place signs on lots designating the lot number of the lots, and [iii] following sale of a lot, place signs on such lot indicating the name of the purchaser of that lot. This restriction shall not prohibit placement of occupant name signs and lot numbers as allowed by applicable zoning regulations.

Section 9. Drainage. Drainage of each lot shall conform to and be maintained in accordance with the general drainage plans of Developer for the Property, including but not limited to all drainage swales. No storm water drains, roof downspouts or ground water shall be introduced into the sanitary sewage system. Connections on each lot shall be made with watertight joints in accordance with all applicable plumbing code requirements.

Section 10. Obligation to Construct or Reconvey. Every lot owner shall, within twelve (12) months after the date of conveyance of a lot without a dwelling thereon, commence in good faith the construction of a single family dwelling approved according to Article VI, Section 1, upon each lot conveyed. If construction does not commence within the specified period of time, Developer may elect to repurchase any and all lots on which construction has not commenced for 100% of the purchase price, without interest, of said lot or lots hereunder sold by Developer, in which event the lot owner shall immediately reconvey and deliver possession of said lot or lots to Developer by deed of special warranty. If Developer has not exercised this right to repurchase within three years from the date such right vests in Developer, the Developer's right to repurchase shall cease with respect to that particular lot.

Section 11. Disposal of Trash. No lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Trash, garbage or other waste shall not be kept except in sanitary containers. This restriction shall not apply during the period of construction of a residence on the lot or adjoining lots, provided such lot owner makes provisions to retain all rubbish, trash and garbage on that particular lot.

Section 12. Underground Utility Service.

A. Each property owner's electric, water, sewer, gas, cable television and general utility service lines shall be underground through the length of service line from the utility company's point of delivery to the lot owner's building; and the cost of installation and maintenance thereof shall be borne by the respective lot owner upon which said service line is located.

Appropriate easements are hereby dedicated and reserved to each property owner, together with the right of ingress and egress over abutting lots or properties to install, operate and maintain electric, water, sewer, gas, cable television and general utility service lines to the utility company's termination points. Electric service lines, as installed, shall determine the exact location of said easements.

The electric, telephone and sewer and drainage easements shown on the plat shall be maintained and preserved in their present condition and no encroachment therein and no change in the grade or elevation thereof shall be made by any person or lot owner without the express written consent of the utility company or the telephone company.

B. Easements for overhead transmission and distribution feeder lines, poles and equipment appropriate in connection therewith are reserved over, across and under all areas shown on the plat (including park, open and drainage space area) and designated for underground and overhead facilities.

Aboveground electric transformers and pedestals may be installed at appropriate points in any electric easement.

In consideration of bringing service to the Property, the utility company is granted the right to make further extensions of its lines from all overhead and underground distribution lines.

Section 13. Rules for Common Areas. The Association is authorized to adopt rules for the use of the common areas and such rules shall be furnished in writing to the lot owners.

Section 14. Signage. Landscaping and Fencing. The Association shall maintain any signs and signature entrances identifying the Property, any fencing constructed in any fencing easement on the Property and any landscaping and berms installed in the publicly dedicated rights-of-way within the Property and adjacent to the Property including street islands as well as any landscaping provided in any sign and landscaping easements on the Property. The foregoing specifically includes any landscaping and berms installed in the right-of-way of

Pennsylvania Run Road immediately adjacent to the subdivision. The purpose of the sign, landscaping and fence easement is to construct and maintain such signage, landscaping and fencing for Catalpa Springs as may be determined by the Developer. Notwithstanding the foregoing, each lot owner shall be responsible for repairing any damage to fencing caused by such lot owner.

Section 15. Yard Sales. No yard sales or garage sales of any kind shall be conducted on any lot without the prior written consent of the Developer.

Section 16. Garbage Collection. There shall be only one sanitation company approved for collecting garbage from each residence located in Catalpa Springs. The approval of such sanitation company shall be made by Developer. If a lot owner fails to pay the fees charged by the approved sanitation company, the Developer may make such payment and assess the lot owner for such charge. A lot owner's failure to repay the Developer within five (5) days after receipt of an invoice from Developer for such services, which may include reasonable Attorney's fees and other collection cost and interest, shall be treated as a non-payment of assessments and Developer shall have all rights and remedies afforded the Association in Article IV, Section 7 of this Declaration.

ARTICLE VI ARCHITECTURAL AND LANDSCAPE CONTROL

Section 1. Approval of Construction and Landscape Plans.

A. No structure may be erected, placed or altered in any manner on any lot until the construction plans and building specifications and a plan showing [i] the location of improvements on the lot; [ii] the grade elevation (including rear, front and side elevations); [iii] the type of exterior material (including delivery of a sample thereof); and [iv] the location and size of the driveway (which shall be concrete unless other material is approved in writing by Developer), shall have been approved in writing by the Developer. Asphalt driveways will not be approved.

B. In addition to the plans referred to in the previous paragraph, a landscape plan shall be submitted to the Developer for its approval in writing, which plan shall show the trees, shrubs and other plantings. Every effort shall be made in such plans to maintain existing trees on all lots. Thereafter, no additional trees, shrubs or other plantings may be placed on or removed from any yard area of a lot until a supplementary landscape plan has been submitted to Developer for its approval in writing. The landscaping plan shall include; but not be limited to, those specifications set forth in Section 6 below.

C. References to "Developer" shall include entity, person or association to whom Developer may assign the right of approval. When Developer no longer owns any lots in the Property, this right of approval shall automatically be assigned to the Association, which may then likewise assign its right of approval to any architectural review board, committee, entity or person, as the Association may determine in its sole discretion. References to "structure" in this paragraph shall include any building (including a garage), fence, wall, antennae and microwave and other receivers and transmitters (including those currently called "satellite dishes").

D. After any structure has been erected and the initial landscaping material installed, no alterations or additions that affect the external appearance of the structure or landscaping may be performed until the plans have been approved in writing by the Developer, the Association, or any designated review entity as the case may be.

Section 2. Building Materials. The exterior building material of all structures shall extend to ground level and shall be either brick veneer, stone veneer, siding, synthetic stucco, a combination of same or other material approved in writing by Developer. Developer may, at Developer's sole discretion, prohibit or limit the use of wood or vinyl siding.

Section 3. Minimum Floor Areas. The following shall be the minimum floor areas for homes to be constructed after this instrument is recorded:

A. All one-story houses shall have a minimum floor area of one thousand four hundred (1400) square feet.

B. All one and one-half story houses shall have a total minimum floor area of one thousand six hundred (1600) square feet;

C. All two-story houses shall have a total minimum floor area of one thousand eight hundred (1800) square feet;

D. Finished basement areas, garages and open porches are not included in computing floor areas; however, Developer may, at its option, include unfinished floor areas and above ground storage areas in computing minimum floor areas.

Section 4. Setbacks. No structure shall be located on any lot nearer to the front lot line or the side street line than the minimum building setback lines shown on the recorded plat, except, if permitted under applicable law and regulations, bay windows and steps may project into said areas, and open porches may project into said areas not more than six feet.

Section 5. Garages: Carports: Basements.

A. A minimum of a two (2) car attached garage and a basement shall be constructed on each lot unless otherwise waived in writing by Developer and such structures are subject to prior plan approval under Section 1 of this Article.

B. No carport shall be constructed on any lot.

Section 6. Landscaping: Driveways: Sidewalks.

A. Within 30 days of final completion of the construction of a residence, the lot owner shall grade and sod the front and side yards and seed and straw the rear yard until grass is established. Each lot shall contain at least one (1) tree that is at least two (2) inches in diameter at two (2) feet above ground. In addition, each lot shall contain at least twelve (12) shrubs, each lot shall be landscaped so as to preserve as much natural vegetation as reasonably possible. No artificial grass, plants or other artificial vegetation

shall be placed or maintained on any lot. No weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain on any lot.

B. Each lot owner shall install a concrete driveway within the sooner of (i) one (1) month of completion of the dwelling or (ii) occupancy.

C. Each lot owner shall cause a sidewalk to be constructed on their lot. Each sidewalk shall be constructed within one (1) month following the earlier to occur of (i) the date the residence on that particular lot is completed or (ii) the date the residence is occupied. Sidewalks shall be built in accordance with plans and specifications approved, in writing, by Developer.

D. Upon an owner's failure to comply with the provisions of this Section 6, Developer may take such action as necessary to comply therewith, and the owner shall immediately, upon demand, reimburse Developer or other performing party for all expenses incurred in so doing, together with allowable statutory interest, and Developer shall have a lien on that lot and the improvements thereon to secure the repayment of such amounts. Such lien may be enforced in the same manner and with the same priority that the lien for annual and special assessments may be enforced and/or in such other manner that may be permitted by law.

Section 7. Mail and Paper Boxes. There shall be only one contractor approved for constructing mail and paper boxes in Catalpa Springs. The approval of such contractor and the design for every mail and paper box shall be by the Developer. No other mail or paper boxes are permitted.

ARTICLE VII GENERAL PROVISIONS

Section 1. Enforcement. Enforcement of these restrictions shall be by proceeding at law or in equity, brought by any owner, by the Association, or by Developer against any party violating or attempting to violate (the "Violating Party") any covenant or restriction, either to restrain violation, to direct restoration and/or to recover damages. In addition to all other amounts due on account of said violation or attempted violation, the Violating

Party shall be liable to the party or parties enforcing the covenants and/or restrictions of this Declaration (the "Enforcing Parties") for all reasonable attorney's fees and court costs incurred by the Enforcing Parties. Failure of any owner, the Association, or Developer to demand or insist upon observance of any of these restrictions, or to proceed for restraint of violations, shall not be deemed a waiver of the violation, or the right to seek enforcement of these restrictions.

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

Section 3. Restrictions Run With Land. Unless cancelled, altered or amended under the provisions of this paragraph, these covenants and restrictions are to run with the land and shall be binding on all parties claiming under them for a period of thirty years from the date this document is recorded, after which time they shall be extended automatically for successive periods of ten

years so long as the real property subject to this Declaration remains a residential subdivision. Except for Article III, Section 1B (ii) hereof, these restrictions may be cancelled, altered or amended at any time by a written instrument signed by the owners of the lots with 75% of the votes in the Association and recorded in the Jefferson County Clerk's office. Notwithstanding anything contained herein to the contrary, the Association and the lot owners shall be responsible for the maintenance of all open space and common areas, so long as the real property subject to this Declaration is used as a residential subdivision or until such open space and/or common areas are properly dedicated to a unit of local government. The foregoing sentence shall not be amended without the written approval of the Louisville and Jefferson County Planning Commission or its successor.

Section 4. Amendments to Rules and Regulations. Nothing in this Declaration shall limit the right of the Association to amend, from time to time, its rules and regulations.

Section 5. Non-Liability of the Directors and Officers. Neither the Developer nor the directors, officers or other members of the governing body of the Association shall be personally liable to the owners for any mistake or judgment or for any other acts or omissions of any nature whatsoever while acting in their official capacity, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. The owners shall indemnify and hold harmless each of the directors and officers and their respective heirs, executors, administrators, successors and assigns in accordance with the Bylaws. This indemnification shall include, without limitation, indemnification against all costs and expenses (including attorneys' fees, amounts of judgments paid and amounts paid in settlement) incurred in connection with any claim, action, suit or proceeding, whether civil, criminal, administrative or other.

Section 6. Governing Body's Determination Binding. In the event of any dispute or disagreement between any owners relating to the Property, or any questions of interpretation or application of the provisions of this Declaration or the Rules and Regulations, the determination thereof by the governing body of the Association shall be final and binding on each and all such owners.

WITNESS the signature of Developer by its duly authorized representative as of March 16, 2000.

CATALPA SPRINGS,
a Kentucky joint venture

By: THE KIRCHER COMPANY
A Kentucky corporation
By: _____
Williams J. Kircher, President

By: RED BUD HILL DEVELOPMENT, INC.
A Kentucky corporation

By: _____
Joseph L. Clark,

BB07458PG0020 STATE OF KENTUCKY)

SS: COUNTY OF JEFFERSON)

/.^ The foregoing instrument was acknowledged before me on
^/ASA^JL /^~ . 2000, by William J. Kircher, President of The Kircher Company,
a Kentucky corporation, acting as a joint venturer of Catalpa Springs, a
Kentucky joint venture, on behalf of the joint venture.

My commission expires: //-'/^-' ^<y^

/ r
^1^^^?^^

Notary Public STATE OF KENTUCKY)

SS: COUNTY OF JEFFERSON) (^- The foregoing instrument was acknowledged before
me on //VA^A /^ . 2000, by Joseph L. dark, President of Red Bud Hill
Development, Inc., a Kentucky corporation, acting as a joint venturer of Catalpa
Springs, a Kentucky joint venture, on behalf of the joint venture.

My commission expires: //"y^" ^^ o(lM^Ly}i^y.

Notary Public

^^~\ Thiaflnstrurront Ri'epa^ed By: /^ David W'See^er^ •-'--^-^C^ ~^
WYATT, TARRANT & COMBS' f0""8"* No"DN2000073205 07nn r^iti-ranc. DI»-».».
Lodged By; CBTflLPfl 2700 Qtizens Plaza Recorded On, 06/05/2000 12,08.20
Louisville, Kentucky 40202 Total Fees, 30.00
Transfer Tax, .00 REV 3/15/00 County Clerk; Bobbie HolsclaN-JEFF CO

KY

Deputy Clerk: TIFSTE ninnriv'^ - ::o.n

E1-'3'^; J v ?•?" . ft • . ^"N , ^
LhUVs 'A ..;...^-^ 16

