

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
ROCK SPRINGS - SECTION 1
PLAT AND SUBDIVISION BOOK ___, PAGE ___**

JEFFERSON COUNTY, KENTUCKY

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ROCK SPRINGS, SECTION 1, is made this 21 day of October, 2006, by **ROCK SPRINGS FARMS, LLC**, 3413 Breckenridge Lane, Louisville, Kentucky 40220 ("Developer").

WITNESSETH:

WHEREAS, Developer is the owner of a certain real property in Jefferson County, Kentucky, which is in part being developed into a residential subdivision known as Rock Springs, and;

NOW, THEREFORE, Developer does hereby declare that all property described in this instrument, and any property which the Developer may develop which it may make subject to the provisions hereof or any portion thereof with the Developer's reserving the right to modify these restrictions as they may apply to other properties, 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 real property. The easements, restrictions, covenants and conditions shall run with the real property and shall be binding on all parties having any right, title or interest in it, their heirs, successors and assigns, and shall inure to the benefit of each owner. The Developer has the right to make additional properties subject to these restrictions.

I. REAL PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS

Section 1. 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 1-46 as shown on the Plat of the Rock Springs, Section 1 of record in Plat and Subdivision Book 52, Pages 4, in the Office of the County Court Clerk of Jefferson County, Kentucky; and

BEING a portion of the property acquired by Developer by Deed dated February 21, 2006 recorded in Deed Book 8789, Page 188, in the office of the clerk aforesaid.

Section 2. Additions to Existing Property. Additional lands may become subject to this Declaration in the following manner:

(a) Developer intends to make this Section 1 of Rock Springs a part of a larger community of single family residences to be known generally as Rock Springs Subdivision. The Developer intends to use a portion of the property which it acquired by Deed dated February 21, 2006 of record in Deed Book 8789, Page 188 in the Office of the Jefferson County Court Clerk aforesaid as part of a single family residential subdivision and these restrictions shall only apply to this Section 1 and such

additional sections as the Developer shall specifically designate as being subject to these restrictions and any subsequent restrictions which the Developer may file on any subsequent section. The Developer reserves the right to include other property other than that identified as being acquired in Deed Book 8789, Page 188 or exclude any portion of the initial tract from time to time as in its sole judgment is desirable in the Developer of the residential subdivision. If the Developer includes any additional property, those plats will be recorded in the Office of the Jefferson County Court Clerk. The Developer reserves the right to create cross easements and to restrict all of the properties according to the terms of this or any subsequent Declaration. The common areas or open spaces initially covered by this Declaration shall inure to the benefit of the owners of any and all lots which may become subject to this and any subsequent Declaration and inure to the benefit of the owners of any individual single family lots and their right to enjoy the common areas or open spaces 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.

(b) 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 and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration.

II. 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 single family dwelling designed for the occupancy of one family (including any domestic servants living on the premises), not to exceed two and one-half stories in height and containing a garage which must be attached or under the residences and any attached storage facility as hereinafter permitted all of which shall be for the sole use of the owner and occupants of the lot.

Section 2. Open Spaces. Lots 47A and 48A shall remain an undeveloped open space and no permanent single family residence shall be constructed thereon.

Section 3. 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 4. Use of Other Structures and Vehicles.

(a) No structure of a temporary character shall be permitted on any lot except temporary tool sheds or field offices used by a builder or Developer or Homeowners Association after sale of all lots, which shall be removed when construction or redevelopment is completed.

(b) No outbuilding, trailer, basement, tent, shack, garage, barn or structure other than the main residence erected on a lot shall at any time be used as a residence, temporarily or permanently. An outbuilding or storage facility shall be permitted provided it is attached permanently to the main residence, is of the same exterior material as the main residence, is maintained in the same manner as the residence and provided that the design and location thereof shall be approved in writing by the Developer or Homeowners Association after sale of all lots and in accordance with Article III, Section 5 hereof.

(c) No trailer, bus, commercial vehicle, motor home, camper trailer, camping vehicle or boat shall be parked or kept on any lot at any time unless housed in a garage or basement. No automobile which is inoperable shall be habitually or repeatedly parked or kept on any lot (except in the garage) or on any street in the subdivision. No trailer, boat or other vehicle, shall be parked on any street in the subdivision for a period in excess of two (2) calendar days in any one (1) 365-day period. Parking may be restricted during any part of any day as determined by the Homeowners Association. The Homeowners Association shall have the right to modify parking restrictions after notice to the Owners of all property within the subdivision; of such proposed restrictions.

(d) No vehicle determined to be objectionable or unsightly by Developer or its successors or assigns, including the Homeowners Association, and no vehicle which is inoperable, shall be parked at any time on any street or any portion of a lot except in a garage.

(e) There shall be no habitation of any vehicle parked anywhere in the subdivision.

Section 5. Animals. No animals, including 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.

Section 6. Clothes Lines; Fences and Walls; Swimming Pools; Antennae and Receivers/Transmitters.

(a) No outside clothes lines shall be erected or placed on any lot.

(b) All fences must be approved by the Developer or the Homeowners Association after sale of all lots and no chain link fence shall be permitted. The Developer has generally found acceptable a rear or side fence provided it is not greater than four (4) feet in height with posts on the inside and not chain link or similar material. No fence or wall of any nature may extend toward the front or side street property line beyond the front or side wall of the residence.

(c) No swimming pools shall be erected or placed on any lot from the date hereof unless its design and placement are approved in writing by Developer or Homeowners Association after sale of all lots and no above-ground pools will be permitted.

(d) No antennae (except for standard small television antennae) or microwave and other receivers and transmitters be erected or placed on any lot unless its design and placement are approved by Developer or Homeowners Association after sale of all lots.

Section 7. Signs. No property owner or builder may place any sign except one that advertises either the lot for sale or the residence constructed thereon and no signs for any other purposes shall be displayed on any lot or on a building or a structure on any lot. The one sign for advertising for sale or rent shall not be greater in area than nine (9) square feet in total area. All signs in terms of size and general content shall be approved by the Developer. The Developer may, prior to the sale of all lots shall have the right to erect larger signs, place signs on lots designating the lot number of the lots, and following the 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, lot numbers or street addresses as allowed by applicable zoning regulations.

Section 8. Flags. No flagpoles shall be erected or placed on any lot. Flags, however, may be hung in a customary fashion from any structure so long as not in excess of twenty four (24) square feet in size.

Section 9. Playground Equipment. All outside or exterior playground equipment located on any lot, including without limitations, swing sets, jungle gyms and similar equipment, shall be located no closer than five (5) feet to any property line and shall not be greater than ten (10') feet in height from the ground. All lot owners and residents of the subdivision shall obtain approval of the Developer prior to the construction or placement of any playground equipment and after the Developer has completed the development of the subdivision approval by the Homeowners Association, such approvals to be consistent and uniform throughout the subdivision. No basketball goals shall be permitted in the front yard of any residence, whether portable or permanently installed.

Section 10. Holiday Lighting. No decorative lights and attendant displays and decorations shall be permitted to be displayed except during any holiday period beginning with ten (10) days before the holiday and not longer ten (10) days thereafter. The Developer in its discretion may expand or shorten said period. All exterior and holiday decoration and lighting shall receive prior written approval of Developer or shall be allowed only pursuant to written policy adopted by Developer or its successors or assigns.

Section 11. Duty to Maintain Lot.

(a) From and after the date of purchase of a lot until construction of a single family residence is started, Developer (or Homeowners Association after sale of all lots) shall have the right but not the duty to perform all maintenance on the lot, including but not limited to mowing. Each owner shall be assessed an annual fee payable in January at the rate of \$20.00 per month for the first three (3) years following the date the lot owner acquires title to a lot; thereafter, Developer (or Homeowners Association after sale of all lots) may assess the lot owner at an amount which Developer or Homeowners Association determines necessary to maintain the lot. An owner can maintain its own lot if such approval is permitted.

(b) From and after the date construction of a single family residence on a lot is started, it shall be the duty of each lot owner to keep the grass on the lot properly cut, to keep the lot free from weeds and trash, and to keep it otherwise neat and attractive in appearance. Should any owner fail to do so, then Developer or Homeowners Association after sale of all lots may take such action as it deems appropriate, including mowing, in order to make the lot neat and attractive, and the owner shall, immediately upon demand, reimburse Developer or Homeowners Association after sale of all lots or other performing party for all expenses incurred in so doing, together with allowable statutory interest, and Developer or Homeowners Association after sale of all lots shall have a lien on that lot and the improvements thereon to secure the repayment of such amounts. Such lien may be enforced by foreclosure against that lot and the improvements thereon, but such lien shall be subordinate to any first mortgage thereon.

Section 12. Business; Home Occupations. No trade or business of any kind (and no practice of medicine, dentistry, chiropractic, osteopathy and other like endeavors) shall be conducted in any building or on any lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. Notwithstanding the provisions hereof or of Section 1 of this Article II, it is further understood that the Developer may use any residence as an office for the period of duration for the development of the subdivision and for such period thereafter as may be reasonably necessary or the Developer may place an office trailer on one or more of said lots on said property for use as a business and sales office during the period of development and for such period thereafter as may be reasonably necessary. The Developer and/or any builder or Homeowners Association after sale of all lots shall keep

the property surrounding any such model home or trailer neat, clean, free of debris, and all grass cut and trimmed.

Section 13. Drainage. Drainage of each lot shall conform to the general drainage plans of Developer for the subdivision as approved by the Louisville-Jefferson County Metropolitan Sewer District. The owner shall be responsible for erosion control during construction of any improvements thereon or of the lot prior to the commencement of construction.

Section 14. Collection and Disposal of Trash. The Developer and the Homeowners Association reserves the right to select a single or established trash collecting system, an entity or person who collects said trash on a regular, consistent basis. Trash receptacles shall be placed at curbside only on a designated day or days of every week. Trash receptacles shall not be placed at curbside prior to the trash pickup day and shall be removed as promptly as possible thereafter. No lot shall be used or maintained as a dumping ground for, or for the storage or keeping or disposal of, rubbish, trash, or garbage or other waste or hazardous substances. There shall be no burning of trash or other refuse of any lot.

Section 15. Duty to Repair and Rebuild, Remodeling.

(a) Each owner of a lot shall, at his 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, excepting only normal wear and tear.

(b) If all or any portion of a residence is damaged or destroyed by fire, or other casualty, then owner shall, with all due diligence, promptly rebuild, repair, reconstruct such residence in a manner which will substantially restore it to its apparent condition immediately prior to the casualty, or completely remove said structure, filling in any basement areas and planting the lot in grass within a period of ninety (90) days after the date of said fire or casualty.

(c) If any remodeling is undertaken which changes either the interior to the extent that it would violate or not be in accord with the provisions of Article III, Section 3 or changes the exterior appearance of the residence or any attached building, such remodeling shall be approved by the Developer and after the Developer no longer controls the Homeowners Association before being undertaken by the owner.

Section 16. Utility Service.

(a) Each property owner's electric utility service shall be underground throughout the length of the service line from Louisville Gas & Electric Company ("LG&E") point of delivery to the customer's residence; and title to the service lines shall remain in 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 service lines to LG&E's termination points. Electric service lines, as installed, shall determine the exact location of said easements.

The electric and telephone 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 LG&E and BellSouth 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 spaces (including park, open and drainage space area) outlines by dash lines and designated for underground and overhead facilities.

Above-ground electric transformers and pedestals may be installed at appropriate points in any electric easement.

In consideration of bringing service to the property shown on this plat, LG&E is granted the right to make further extensions of its lines from all overhead and underground distribution lines.

(c) The electric and telephone easements hereby dedicated and reserved to each property owner, as shown on the plat, shall include easements for the installation, operation and maintenance of cable television service to the property owners, including the overhead and/or underground installation and service of coaxial cables, cable drop wires, converters, home terminal units and other necessary or appropriate equipment, as well as easements for the installation, operation and maintenance of future communication, telecommunication and energy transmission mediums.

III - ARCHITECTURAL CONTROL

Section 1. Approval of Construction and Landscape Plans.

(a) No structure may be erected, placed or altered on any lot until the construction plans and building specifications and a plan showing (i) the location of improvements on the lot, including any fence (its height, location and material); (ii) the type of exterior material, including the size, type, height and location of any fence; and (iii) the location and size of the driveway (which shall be either asphalt or concrete), shall have been approved in writing by the Developer or, after the Developer sold all lots, by the Homeowners Association.

(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 then existing or to be planted on the lot. Each landscape plan for a lot submitted to the Developer shall obligate the owner to install (to the extent the same are not already located on the lot) trees, shrubs and other plantings having a current fair market value of not less than \$1,000.00. The landscaping plans shall include at least two (2) trees in the front yard each of which is to be two (2) inches or greater in diameter at the time that it is planted.

(c) References to "Developer" shall include any entity, person or association to whom Developer may assign the right of approval. References to "Structure" in this paragraph shall include any building (including a garage or fence), wall, antennae (except for standard small television antennae) and microwave and other receivers and transmitters (including those currently called "satellite dishes").

Section 2. Building Materials; Roof; Builder.

(a) The exterior building material of all structures shall be either brick, stone, brick veneer or stone veneer or a combination of same. Developer recognizes that the appearance

of other exterior building materials (such as wood siding) may be attractive and innovative and reserve the right to approve in writing the use of other exterior building materials. A frame house may be built with the Developer's approval.

(b) The roof pitch of any residential structure shall not be less than a plane of 6 inches vertical for every plane of 12 inches horizontal for structures with more than one story, and a plane of 7 inches vertical for every plane of 12 inches horizontal for one story structures.

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

(a) The ground floor area of a one story house shall be a minimum of 1,600 square feet, exclusive of the garage.

(b) The total floor area of a one and one-half story house shall be a minimum of 1,900 square feet, exclusive of the garage.

(c) The total floor area of a two story house shall be a minimum of 2,100 square feet, exclusive of the garage.

(d) Finished or unfinished basement areas, garages and open porches are not included in computing 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 as approved by the Louisville Metro Planning Commission for this Section or in accordance with applicable zoning regulations. Exceptions to that such as windows, steps and porches will be in accordance with zoning restrictions and regulations. Developer may vary the established building lines, in its sole discretion, where not in conflict with applicable zoning regulations.

Section 5. Tree Canopy Protection Area (TCPA). Any area, individual trees or groupings trees that are designated on the plan as a Tree Canopy Protection Area shall be subject to the following restrictions:

(a) No structure shall be closer than 15 feet to the Limit of Disturbance protecting a TCPA. No vehicle use area (VUA) shall be closer than 10 feet to the Limit of Disturbance (Tree Protection Fence) protecting a TCPA.

(b) If any trees that are within the TCPAs are lost through natural causes, the Developer and/or the Homeowner Association as the case may be, shall cause new trees to be planted in order to maintain minimum tree canopy as specified on the approved development plan. If any individual trees that are designated as TCPA on lots that are individually owned may be removed as long as each tree is replaced by another tree of similar type elsewhere on the lot.

Section 6. Garages; Storage Facilities. Any garage must be attached to the residence or under the residence. The location, construction, design and type of materials must be approved by the Developer in the same manner as the approval is required for any residential structures. A storage facility shall be permitted with the Developer's written approval provided that they are maintained as provided for in Article II herein and construed in accordance with Article II, Section 4(b) hereof. Any permitted storage facilities or sheds shall be attached to the side or rear of the residence and comply with such other requirements as the Developer shall determine.

Section 7. Landscaping; Sidewalks; Driveways.

(a) After the construction of a residence, the lot owner shall grade and sod the entire lot of the residence to the pavement of any abutting streets, unless otherwise approved by Developer.

(b) Each lot owner, as Developer's construction plans so indicate, shall cause a sidewalk to be constructed on each lot within one year from the date construction of a residence on 80% of the lots in this section has begun, whether or not the lot owner has begun construction on that particular lot.

(c) Each lot owner shall concrete or asphalt the driveway within three months after completion of a single family dwelling; provided, however, that portion of the driveway from the pavement of any abutting street to the sidewalk shall be concrete.

Section 8. Maintenance of Roads and Curbs; Deposit of Mud. Any builder performing construction services on the property and any lot owner purchasing such services shall be jointly and severally liable for any damage caused by any contractor or any subcontractors, material suppliers or other parties claiming by, under or through such parties, to any portion of the property, including, without limitation, the common areas, curbs, roadways and signage. All builders and lot owners shall take such measures as are necessary to avoid the deposit of any mud or dirt on roads within the subdivision. In addition, the lot owner and/or the builder shall deposit with the Developer the minimum sum of \$1,000.00 which will be held by the Developer until completion of the lot and all improvements thereon have been completed and a certificate of occupancy issued. If the builder or lot owner shall have created any damage which they did not repair, the deposit shall be used to repair said damages and the builder and lot owner shall be jointly and severally liable for any additional amount. Any amounts not so used shall be returned to the person making the deposit.

Section 9. Mail and Paper Boxes; Hedges. No mail box, paper holder or hedge shall be placed or planted on any lot unless its design and placement or planting are approved in writing by Developer and shall be standard throughout the development.

Section 10. Developer's Responsibilities and Approvals. Any provision herein imposing upon the Developer and responsibility in connection with the maintenance of the development or requiring the Developer's approval shall only be for such period of time as the development is in progress and until all single family residences shall have been started on all lots within the subdivision, but in any event, not more than twenty years from the date hereof, unless specifically extended in writing by the Developer.

Section 11. Developer's Assigns. Any responsibility hereunder assumed by the Developer shall become the sole obligation of any successor or assign to the Developer, provided the Developer files written notice of the assignment and indication of the new Developer, person or entity responsible for the obligations imposed upon the initial Developer.

**Section 12. Dedication of Common Areas/Maintenance of Cemetery/
Mosquito Control.**

(a) Common areas, open space, private roads, islands in the right-of-way, and signature entrances shall not be dedicated to a unit of local government without the acceptance of the unit of local government involved and the approval of the Louisville Metro Planning Commission. The

Homeowners Association cannot amend this restriction without approval from the Louisville Metro Planning Commission.

(b) Anything to the contrary herein notwithstanding, the Homeowners Association and the lot owners shall be responsible for the maintenance of all common open space, private roads, islands in the right-of-way, and signature entrances, so long as the subdivision is used as a residential subdivision or until properly dedicated to a unit of local government. This provision shall not be amended.

(c) The Developer does hereby dedicate to public use the 15 foot right of ingress, egress or access to and from the public right of way to the cemetery which access easement shall be a covenant running with the land and will not be modified or eliminated without the approval of the Louisville Metro Planning Commission.

(d) There is a private cemetery located within Section 1. It shall be the duty of the Developer and/or the Homeowners Association to maintain the area as a private cemetery so long as it shall exist as a private cemetery. The Homeowners Association shall maintain the 15 foot public access to and from the cemetery and the same shall be available for use by the public generally at all times. No encroachments upon the buffer zone shall be permitted.

(e) After release of the drainage bond, mosquito abatement on open spaces within the subdivision shall be the responsibility of the Homeowners Association. Accumulations of water in which mosquito larvae breed or have the potential to breed are required to be treated with a mosquito larvacide approved by the Louisville Metro Health Department. Larvacides shall be administered in accordance with the product's labeling.

IV. HOMEOWNERS ASSOCIATION; ASSESSMENTS

Section 1. The Developer has filed and recorded the Articles of Incorporation of ROCK SPRINGS FARMS HOMEOWNERS ASSOCIATION, INC. ("Association") with the Office of the Jefferson County Court Clerk, which may then be amended from time to time, and reflect an amendment to the Declarations of Covenants, Conditions and Restrictions. Every owner of a lot in Section 1 of Rock Springs Subdivision (and such other sections which Developer shall in the future by deed restrictions so provided) shall be a member of the Association, and by acceptance of a deed for any lot, agrees to accept membership in, and does thereby become a member of the Association. Such owner and member shall abide by the Association's bylaws, rules and regulations, shall pay the assessments provided for, when due, and shall comply with decisions of the Association's Board of Directors.

Section 2. The objects and purposes of the Association shall be set forth in its Articles of Incorporation and shall be to serve the common good and general welfare of its members, and shall include, unless such obligations are otherwise assumed by any municipal or governmental agency having jurisdiction thereof, the maintenance and repair of the streets, medians, open spaces and common areas, crosswalks, gatehouses, irrigation systems, storm drains, retention and other basins, lakes, fences, street lights and entrances as may be shown on the aforesaid plat, and acceptance of common area for purposes of operation, maintenance and repair. The objects and purposes shall include the absolute and mandatory responsibility to maintain the lots of said plat designated as Open Space in such fashion as not to create a potential or actual health or safety hazard. Failure of the Association to maintain Open Space shall authorize any governmental authority concerned with maintenance of such areas to perform the required maintenance and have a claim upon said property for the reasonable expenses thereof, together with the right of such authority to enforce the restrictions herein relating to Open Space obligations.

Section 3. Any assessments levied by the Association shall be used only for purposes generally benefitting the Association, and shall constitute a lien upon the lot and improvements against which each such assessment is made. This lien shall be subordinate only to the lien of any first mortgage or vendor's lien on the lot and shall be enforceable against the real estate by foreclosure or otherwise.

Section 4. The initial assessment hereunder shall be at a rate of \$400.00 per annum per lot beginning January 1, 2007. No assessment shall be due by the Developer so long as it has title to the lot and the assessment shall not apply until the Developer has transferred title of the lot to a purchaser who intends to construct a single family residence thereon. If any purchaser shall purchase a lot after January 1, 2007, the initial assessment will be prorated from the date of purchase. After December 31, 2007, the Board of Directors of the Association may, from time to time, increase or decrease the assessment. The Board of Directors of the Association shall determine the amount of and fix the due date of each assessment. No assessment shall be due by the Developer so long as the Developer shall have title to any lot in its name. So long as title is in the name of the builder, he shall not pay any assessments until he has sold the lot and any improvements to an ultimate purchaser except in the event the property is converted by the builder to rental property or sold under contract for deed or other instrument where possession has transferred but not title. In that event the lot shall be subject to the annual assessment beginning as of the January 1 preceding the conversion of the occupancy of said property including its occupancy by the builder as his or its own personal residence. Thereafter, the property shall, without regard to occupancy, be subject to the annual assessment.

Section 5. Charge and Lien. The Annual Assessments and Special Assessments determined from time to time together with interest as set forth herein or at such other rate of interest as shall from time to time be determined not in excess of the maximum rate permitted by applicable law, and costs of collection and reasonable attorneys' fees (with such interest thereon), shall be a charge on the lot and shall be a continuing lien upon the lot against which each such assessment is made. Each such assessment, together with reasonable attorneys' fees, costs and such interest, shall also be the personal obligation of the person or entity which was the lot owner of such lot at the time when the assessment fell due, and the personal obligation for delinquent assessments shall pass jointly and severally on to such lot owner's successor in title, regardless of whether expressly assumed by such successor, and such delinquent assessments shall remain a charge on and continuing lien against the lot, which may be foreclosed by the Developer or the Association in the manner prescribed by law. All such fees or assessments shall be due and payable to the Association by each lot owner pursuant to the terms hereof and shall bear interest after the date set in said assessment for payment until paid at a fixed rate of 12% per annum or at such lower rate as may constitute the maximum then permitted by applicable law and such amounts, together with all interest accrued and unpaid, and cost of collection incurred, including court costs and reasonable attorneys' fees constitute a charge and lien on each lot in favor of the Association which lien shall be of equal priority to the lien of assessments provided for herein.

Section 6. Until Class B membership ceases and is converted to Class A membership pursuant to Section 7 of this Article, Developer or its nominee shall administer the assessments and receipts therefrom, which may only be used for purposes generally benefitting Rock Springs, as permitted in this Declaration.

Section 7. Classes of Membership. The Association shall have two classes of voting membership:

(a) **Class A.** Class A members shall be all lot owners, with the exception of Developer, shall be entitled to one vote for each lot owned.

(b) Class B. The Class B member shall be Developer. Developer shall be entitled to ten votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(i) Transfer of control by Developer no later than twenty (20) years from the date of the sale of the first lot to a lot owner other than Developer; or

(ii) When ninety (90%) percent of the lots in Rock Springs have been sold by the Developer and title transferred, including any additional property which is added hereto as indicated in Article I.

Section 8. Homeowners Association's Right of Entry. The authorized representative of the Association or the Board shall be entitled to reasonable access to the individual lots as may be required in connection with the preservation of property on an individual lot or in the event of any emergency or in connection with the maintenance of, repairs or replacements within the common area, or any equipment, facilities or fixtures affecting or serving other lots or the common area or to make any alteration required by any governmental authority, including the right to enter upon or through any lot for access to any common area for the maintenance and improvements thereof. No lot owner shall damage or change in any way any common area or the landscaping thereon.

Section 9. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the common area which shall be appurtenant to and shall pass with the title to every lot. The common area means and refers to all non-residential lots and areas which are shown on any recorded final subdivision plat within any portion of Rock Springs made subject to the Association.

The rights and easements of enjoyment granted hereunder are subject to the following:

(a) The right of the Association to permit the construction and use of and to charge reasonable admission and other fees for the use of any recreational facilities and other amenities situated upon the common area and to adopt rules and regulations with regard to the use of the common area.

(b) The right of the Association to borrow money for the purpose of improving the common area or for constructing, repairing or improving any facilities and/or amenities located or to be located thereon, and to give as security for the payment thereof a mortgage encumbering all or any part of the common area.

(c) The right of the Association to suspend the voting rights and the right to use the recreational facilities and other common area amenities by a lot owner for any period during which a violation of this Declaration by such lot owner or a resident of such lot exists, during which any assessments or liens against the lot owner's lot or other sums due to the Association by such lot owner remain unpaid, or during which any infraction of this declaration and/or the rules and regulations of the Association occurs.

(d) The right of the Association to dedicate or transfer all or any part of the common area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association, and to grant permits and licenses as well as easements for access, utilities, drainage, water facilities and other matters, in, on, over, across or under the common area, as may be deemed necessary or useful by the Association. Developer may dedicate access, utility, drainage, water facility, service and other easements, rights and licenses on or over the common area, and any

recreational facilities and other amenities thereon, owned by the Association at Developer's sole discretion for so long as Developer, its successors or assigns, owns any lot or any portion of the subdivision.

(e) An easement in gross on and over the common area in favor of Developer, its successors and assigns, for pedestrian access as shall be acceptable to Developer in its sole discretion, and for temporary use and/or restriction, from time to time, of portions of the common area as shall be acceptable to Developer in its sole discretion, including without limitation, for ingress, egress, access, parking along streets and roads and otherwise upon the common area.

(f) Developer shall be entitled to modify, restrict, and/or confine any of the foregoing rights and easements provided for in this Section and/or to grant additional rights and easements on or over the common area in favor of Developer, its successors and assigns.

Subject to prior approval of the Louisville Metro Planning Commission, the Association shall have the right to dedicate or transfer all or any part of the common area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Homeowners Association. Developer may dedicate utility or service easements at its sole discretion.

V. GENERAL PROVISIONS

Section 1. Enforcement. Enforcement of these restrictions shall be by proceeding of law or in equity, brought by any owner or by Developer against any party violating or attempting to violate any covenant or restriction, either to restrain violation, to direct restoration and/or to recover damages. Failure of any owner 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 canceled, altered or amended under the provisions of Section 1 and Section 2 of Article I and this Article V, Section 3, these covenants and restrictions are to run with the land and shall be binding on all parties claiming under them for a period of fifteen years from the date this document is recorded, after which time they shall be extended automatically for successive periods of ten years, unless an instrument signed by a majority of the then owners of the front footage of all lots subject to these restrictions and covenants in whole or in part shall terminate or modify these restrictions and covenants. These restrictions may be canceled, altered or amended at any time by the affirmative action of the owners of 75 percent of the lots subject to these restrictions.

Anything to the contrary herein notwithstanding, the Association and the lot owners shall be responsible for the maintenance of all open space, private roads, if applicable, and common areas, so long as the subdivision is used as a residential subdivision or until properly dedicated to a unit of local government. This provision shall not be amended.

Section 4. Amendments to Articles and Bylaws. Nothing in this Declaration shall limit the right of the Association to amend, from time to time, its Articles of Incorporation and Bylaws.

Section 5. Non-Liability of the Directors and Officers. Neither Developer nor the directors and officers of the Association shall be personally liable to the owners of the lots 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 of the Association.

Section 6. Board's Determination Binding. In the event of any dispute or disagreement between any owners relating to the property subject to this Declaration, or any questions of interpretation or application of the provisions of this Declaration or the Operating Agreement, the determination thereof by the Board shall be final and binding on each and all such owners.

WITNESS the signature of Developer by its duly acting Managing Member this 21st day of October, 2006.

ROCK SPRINGS FARMS, LLC

By: R. J. THIENEMAN REALTY GROUP, LLC
Managing Member

By: Brian A. Thieneman
Brian A. Thieneman, Manager

COMMONWEALTH OF KENTUCKY)
) ss.
COUNTY OF JEFFERSON)

I, a Notary Public, in and for the State and County aforesaid, do hereby certify that the foregoing Declaration of Covenants, Conditions and Restrictions was acknowledged and sworn to before me by Brian A. Thieneman, Manager of R. J. Thieneman Realty Group, LLC, Managing Member of Rock Springs Farms, LLC, this 21st day of September, 2006.

My Commission Expires: February 21, 2010

Linda M. Blum
NOTARY PUBLIC, STATE AT LARGE, KY

PLAT ANNEXED TO THIS DEED
RECORDED IN MISCELLANEOUS
PLAT & RIGHT-OF-WAY BOOK

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THIS INSTRUMENT PREPARED BY:

Robert L. Ackerson
ROBERT L. ACKERSON
ACKERSON & YANN, PLLC
401 W. Main Street, Suite 1200
One Riverfront Plaza
Louisville, Kentucky 40202
(502) 589-4130

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Deputy Clerk: AMASHO

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