

MAILED TO:
PREPARER

THE TERRACE OF TWELVE OAKS
LOTS 101-109

96084

DECLARATION OF REGULATIONS, COVENANTS,
CONDITIONS AND RESTRICTIONS

This DECLARATION OF REGULATIONS, COVENANTS, CONDITIONS AND RESTRICTIONS, The Terrace of Twelve Oaks, LOTS 101 THROUGH 109 INCLUSIVE, is made and entered into on this 3 day of February, 2006 by **OAKBROOKE PROPERTIES, LLC**, hereinafter referred to as "DECLARANT".

WITNESSETH:

WHEREAS, the Declarant is the owner and developer of certain property in Bullitt County, Kentucky, known as The Terrace of Twelve Oaks, Lots 101 - 109 inclusive, a plat of which is recorded in Plat Cabinet 2, Slide 751-752 in the Office of the Bullitt County Court Clerk, and FURTHER BEING a part of the same land conveyed to OAKBROOKE PROPERTIES, LLC, a Kentucky limited liability company, by Deed of record in Deed Book 614, Page 618 in the Office of the Bullitt County Court Clerk; and

WHEREAS, the Declarant will convey the said properties, subject to certain protective regulations, covenants, conditions, restrictions and reservations as hereinafter set forth;

NOW THEREFORE, Declarant hereby declares that all of the properties described hereinabove shall be held, sold and conveyed subject to the following restrictions, regulations, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the real estate. These covenants, restrictions, regulations and conditions shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest in the described properties, or any part thereof, and shall inure to the benefit of each owner thereof.

NOTE: References to "Developer" in these paragraphs shall include any entity, person or association to whom Developer may assign the right of approval. Any assignment shall be in writing. References to "structure" in these paragraphs shall include, but not be limited to, any structure, building, shed, fence, wall, antennae, microwave receivers, transmitters, satellite dishes or any item that will alter the exterior appearance of the lots.

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RESTRICTIONS

The DECLARANT, intending to establish a general plan for the use, occupancy and enjoyment of said subdivision, hereby declares that for the mutual benefit of its present and future owners, all lots therein shall be subject to the following restrictions, covenants, conditions and regulations.

1. Primary Use Restrictions.

(a) Said real estate shall be used exclusively for a private-residential patio homes, townhouses, garden homes, and etc. No structure shall be erected, placed, altered or permitted to remain on any lot except the home designed for the occupancy of one family as set forth herein, has, in its sole discretion, expressly approved in writing the design, use, location and materials of such structure.

(b) Notwithstanding any of the foregoing, no storage structure of any nature shall be placed or erected on Lots 101 through 109.

(c) No object shall be attached to exterior walls without written approval by the Developer or designated official.

(d) Garages shall be used only for the parking of vehicles and other customary uses and shall not be used for or converted into living area, e.g., family room(s), bedroom(s), office(s), recreational room(s), etc., without the express written approval of the Developer or such entity, person or association to whom it may assign such right as set forth herein, in its sole discretion. No building or structure shall be used for any commercial use.

2. Subdivision of Lots, Easements, Extensions and Approval of Construction and Landscape Plans.

Lots may not be further subdivided from that configuration set forth in the plat of record in Plat Cabinet 2, Slide 751-752, in the Office aforesaid. However, the Developer reserves the right to further subdivide any lot so long as the divided lots are consolidated with the adjacent lots, with such division and consolidation approved by the Bullitt County Planning Commission.

No easements, extensions or utility services including water, sewer, electric or roadway shall be extended unless approved in writing by the Developer.

No structure may be erected, placed or altered on any lot until the construction plans and building specifications and a plat survey has been approved in writing by the Developer. The construction plan, building specifications and plat survey shall show at a minimum the following: (a) location of improvements on the lot; (b) the grade elevation of the proposed top of foundation, wall and top of curb; (c) the type of exterior material; (d) the square footage of the improvements; (e) the roof pitch; and (f) the location and size of the driveway. All driveways must be composed of asphalt or concrete.

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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. Such plan shall show the location and identification of all trees, shrubs and other plantings. Landscape planted by Builder is what is maintained but not replaced. Upon transfer of title to the resident/owner, any change, addition or alteration of the landscaping will require developer's approval and is the responsibility of the Owner to maintain (See Paragraph 11d).

3. Building Materials, Roof and Builder.

(a) The exterior building material of all structures shall extend to ground level and shall be 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, vinyl siding, manufactured masonry, drivet, or other products) may be attractive and innovative, and reserves the right to approve in writing the use of other exterior building materials.

(b) The roof pitch of any residential structure shall not be less than 6 inches vertical for every 12 inches horizontal for any structure, however, porch or sunroofs may vary, but only with developer's approval.

(c) Any flue, chimney or chase is to be constructed of the same material as a majority of the house's exterior product.

(d) The construction work on any building shall be completed within one (1) year from the initial start. Such work shall not be considered complete until and unless the building is finished in every respect in its interior and exterior including garage, driveway, sidewalks, landscaping, etc.

4. Architectural Control And Lot Maintenance.

(a) No structure, building, drive, garage, landscaping or improvements shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of the structure have been approved in writing by the Developer. The builder shall re-grade all drainage ditches and swales that have washed prior to the rough and finish grading of the lot. All grading shall be subject to the supervision and approval of Developer and shall conform to the approved construction plans of the subdivision. Silt control is required at all times during construction. Drainage of each lot shall conform to the general drainage plans of Developer for the subdivision. No storm drains, roof down spouts 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.

(b) Each lot owner and/or builder shall construct, or cause to be constructed, and maintain a swale as required by the developer.

(c) No physical change, addition or alteration to any exterior wall, roof, or etc. will be allowed unless approved by developer.

(d) All cost for removal, repair or correction of any unapproved structure or change shall be chargeable to and reimbursable from the owner. In the event Declarant or its assigns

incurs cost pursuant to this paragraph 4, such cost shall constitute a lien against the subject real property and the personal liability of the lot owner and/or builder which may be reduced to a personal judgment.

5. Setbacks.

No structure shall be located on any lot nearer to the front lot line or side street line than the minimum building setback lines shown on the recorded plat of Terrace of Twelve Oaks, Section 1. Developer shall have the right, power and authority to vary the established building lines, in its sole discretion, when not in conflict with applicable zoning regulations or the record plat.

6. Minimum Dwelling Size.

The total floor area of each residential structure erected or placed on Lots 101 through 109 shall not be less than 1,450 square feet.

7. Builder's Responsibility for Street Cleaning During Construction.

During the course of construction, mud and dirt shall be cleaned from the tires of construction vehicles before they travel on the streets of the subdivision. All mud and dirt shall be removed from the street by the builder. Under no circumstances shall a motor vehicle cross a lot to reach construction on another lot. The builder shall make any repairs necessary, and shall be responsible for the cost to repair same, should this occur. Materials and/or overruns (concrete, etc) shall not be placed or dumped on another lot. Removal of said materials and/or overruns will be at the builder's expense.

8. Builder's Responsibility for Inspection of Roadway.

Before commencing construction of a dwelling on any lot, the builder shall inspect the roadway and if any defect is found, immediately notify Developer in writing of such defect. The builder shall be responsible for damages done to the roadway by tractors, trucks, equipment etc., in his employ and shall make repairs at his expense within thirty (30) days after completion of the dwelling.

The builder shall insure that all cuts made by the utility companies in the roadway in front of the lot are properly repaired by said companies or by the builder.

9. Use of Other Structure 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, which shall be removed when construction or development is completed.

(b) No outbuilding, trailer, tent, shack, garage, barn or structure other than the completed main residence erected on a lot shall at any time be used as a residence; temporarily or permanently.

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(c) No trailer, truck, motorcycle, commercial vehicle, camper trailer, motor home, camping vehicle, boat or other similar vehicle shall be parked or kept on any lot at any time, unless, housed in a garage. No inoperable automobile 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, truck or other vehicle, except an automobile, shall be parked on any street in the subdivision for a period in excess of twenty-four hours in any one calendar month. None of the above vehicles shall be continuously or habitually parked on any street or public right-of-way.

(d) Without the prior written consent of the Developer, or except in case of temporary loading or unloading, no part of the subdivision (except garages) shall be used for the parking and/or storage of any trailer, truck, boat, motorcycle, scooter, equipment or anything other than operational, currently licensed automobiles. Vehicles parked in violation of any part of this Declaration or in violation of any rules or regulations promulgated by the Developer or Association, shall be towed away and stored at the owner's risk and expense.

10. Nuisance and Animals.

(a) 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.

(b) No animals, including reptiles, livestock, or poultry of any kind shall be raised, bred or kept in the subdivision, except that dogs, cats or other household pets may be kept in residential Units, provided that (1) they shall not be permitted to run loose; and (2) they are not kept, bred or maintained for any commercial purpose nor for breeding purposes. All household pets, including dogs and cats, shall at all times, be confined inside the home occupied by the owner of such pet and/or controlled by the pet owner when not confined in the home. Barking dogs or pets may be a nuisance. Any pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the subdivision upon seven (7) days written notice from the Developer or Association. Pets permitted as above shall be leashed or restrained during walking or exercise within the common area. An owner shall be responsible for cleaning up after his pet.

11. Landscaping; Sidewalks; Driveways; Trees.

(a) No portion of the within-described premises nearer to any highway than the building lines as hereinabove fixed, shall be used for any purpose other than that of a lawn. Nothing herein contained, however, shall be construed as preventing the use of such portion of said premises for walks and drives, the planting of trees or shrubbery, the growing of flowers or ornamental plants or for statuary and similar ornamentation for the purpose of beautifying said premises. All such changes require approval of the Developer and Association.

(b) Each lot owner shall cause a sidewalk to be constructed on each lot on or before completion of their house, at the lot owner's expense. Said sidewalk is to be constructed on the lot before occupying the house. The sidewalk shall be 48 inches wide, a minimum of 4 inches thick and is to have either fiber mesh or wire mesh installed within the concrete. Saw cuts or expansion cuts are to be no more than 48" apart. There shall be a light broom finish and the sidewalk shall be constructed so that uniform emplacement will be maintained throughout the development. A full-set of specifications can be obtained from the Developer.

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(c) After the construction of a residence, the lot owner shall grade and either sod, hydro-seed or seed and straw that portion of the lot between the front and street sidewalls of the residence and the pavement of any abutting streets.

(d) Should any landscape plantings, including trees and shrubs, die due to an "Act of God", such as drought, become diseased, insect infestation, etc. or neglect, homeowner shall replace same at homeowner's expense within 45 days, unless homeowner receives written approval for an extension by the Declarant or such entity, person or association to whom it may assign such right as set forth herein, in its sole discretion (**See also paragraph 25**).

12. Mail and Paper Boxes.

All mailboxes and paper boxes shall be supplied to the builder by the Developer, in order to provide uniformity. Any damage to the mailboxes will be the owners' responsibility.

13. Clothes Lines; Fences; Pools.

- (a) No permanent outside clotheslines shall be erected or placed on any lot.
- (b) All windows shall receive window treatments, by owner, within a reasonable time frame, so as not to be unsightly from any street.
- (c) Only division fences between units are allowed with developer's approval for Lots 101 through 109.
- (d) No above ground pools shall be permitted.

14. Satellite Dishes.

Satellite dishes shall be placed so as not to be seen from any street. Landscaping is an acceptable means to prevent the dish from being viewed from the street. Should any damage occur to adjacent patio homes or condominiums from a roof mounted dish, the Owner is solely responsible for the cost of repairing such damages. Written approval from the Developer regarding location of satellite dishes is required before installation. The proposed location shall be submitted to Developer at least four (4) business days prior to installation. This requirement is not an attempt to restrict installation, but to assist in providing a more appealing location.

It is the goal of the Developer to keep the development attractive and aesthetically pleasing for all homeowners. An installation technician may place a dish in a location that is convenient for him to install, without consideration for the neighborhood. It is not the intent of the Developer to prevent the use of satellite dishes, but to assist in keeping the development appealing for the entire neighborhood.

15. Business; Home Occupations.

No trade or business of any kind (including the practice of medicine, dentistry, chiropractic and like endeavors) shall be conducted on any lot, nor shall anything be done thereon which may become an annoyance or nuisance to the subdivision. Notwithstanding the provisions hereof or of **Paragraph 1 (primary use)**, a new house may be used by a builder thereof as a model home for display including the builder's own office or model, provided said

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use is terminated within thirty (30) months from completion of the house or upon such additional period of time as may be expressly agreed to in writing by Developer or any entity, person or association to whom it may assign such right.

16. Signs.

No signs for advertising or for any other purposes shall be displayed on any lot, building, structure of any lot, except one sign for advertising the **sale or rent** thereof, which shall not be greater in area than nine square feet. No "For Sale" for other items, "Yard Sale", "Car for Sale" or similar type sign shall be placed on any lot.

Yard sales can only be held on same designated date as set forth by Twelve Oaks Development.

Exceptions:

- (1) **Developer shall** have the right to erect larger signs when advertising the Subdivision.
- (2) **Developer shall** have the right to place signs on lots designating the lot number of the lots; and the builder of said lot.
- (3) **A builder** may erect a construction sign (only during construction) of no more than 32 square feet, which must be removed when the owner moves in.
- (4) This restriction shall not prohibit placement of occupant name signs and lot numbers as allowed by applicable zoning regulations.

17. Disposal of Trash.

No lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Trash or garbage or other waste shall not be kept except in sanitary containers and all containers shall be kept in the garage. The subdivision shall be kept free and clear of rubbish, debris and other unsightly materials. Trash and garbage containers shall not be permitted to remain outside any Units except on days of trash collection or after 6:00 pm on the day prior to the day of trash collection.

18. Obligation to Construct or Reconvey.

Within twenty-four (24) months after the date of conveyance of a lot without a dwelling thereon, if the lot owner has not begun, in good faith, the construction of a home, approved according to **Paragraph 4**, upon each lot conveyed, developer may elect to repurchase said lots, on which construction has not commenced, for the original purchase price in the deed of said lot or lots hereunder, in which event the lot owner shall immediately re-convey and deliver possession of said lot or lots to Developer by deed of special warranty.

19. Duty to Repair and Rebuild.

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 repair, rebuild or reconstruct such residence in a

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manner which will substantially restore it to its apparent condition immediately prior to the casualty.

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 immediately prior to the casualty, excepting only normal wear and tear.

20. Patio Home Insurance and Replacement Requirements.

Each owner of a patio home shall insure all improvements, existing or hereafter placed upon its Lot, against loss by fire, tornado and such other hazards, casualties and contingencies and at a minimum in such amounts as the Developer or Twelve Oaks Resident's Association shall from time to time require. Copies of such policies issued pursuant to this provision shall be delivered by the owner to the Developer or Twelve Oaks Resident's Association at the time of the closing of the sale of any Lot. Owner shall, at least thirty (30) days before the expiration of any policy for any insurance hereinabove required, deliver to the Twelve Oaks Resident's Association evidence of a property insurance renewal policy.

In the absence of an insurance policy, it is the responsibility of the owner to repair, replace and/or rebuild any unit damaged by any source. If such repairs are not made, the owner shall be subject to any legal remedies available by law.

In the event of damage or destruction to a patio home unit, the owner suffering damage or destruction shall be required to reconstruct and replace the patio home as follows:

- (1) Commencing construction within Sixty (60) days from the date of the damage or destruction.
- (2) Construction shall be completed within 6 months (180 days).

The reconstruction and replacement shall be of equivalent quality in construction and materials as were in existence prior to the damage or destruction.

21. Patio Home Party Walls.

Section 1. General Rules of Law to Apply. Each wall, which is built as a part of the original construction of the patio homes and placed on the dividing line between the lots and the patio homes thereon, shall constitute a party wall. To the extent not inconsistent with the provisions of this Paragraph 20, the general rules of law of the Commonwealth of Kentucky regarding party walls and liability for property damage due to negligence and willful acts or omissions shall apply thereto.

Section 2. Sharing of Repairs and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use. Owners who make use of an interior party wall shall not be entitled to change or alter in any way said party only. Owners who make use of an exterior party wall shall be entitled to change or alter said party wall only to the extent that all of said Owners who make use of said party wall shall agree and as agreed to by the Association or developer.

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Section 3. Damage by Fire or other Casualty or for Utility Repair. If a party wall is destroyed or damaged by fire or other casualty, the Owner or Owners responsible for the casualty shall be responsible for the repair and cost of repair of it. If one Owner is responsible for same but assumes no responsibility, the other Owner may repair same and recover the cost of restoration thereof in proportion to such use without prejudice, however, to the right of such Owner to call for a larger contribution from the other Owner under any rule or law regarding liability for negligent or willful acts or omissions. An Owner shall have a right at reasonable times upon prior notice to enter upon the premises of the other Owner adjoining a party wall or to break through the party wall, or both, for the purpose of repairing or restoring sewer, water or other utilities, subject to the obligations to restore the wall to its previous structural condition, to pay for such restoration, and to pay the other Owner the amount of any damages negligently caused by such repairing or restoring.

Section 4. Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to a contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Paragraph 20, the parties shall be obligated to arbitrate the dispute under the applicable rules of the American Arbitration Association. Unless the parties can agree upon one arbitrator as the rules of the American Arbitration Association otherwise require, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator. The decision of the arbitrators shall be by a majority of all the arbitrators and shall be binding on the parties to the dispute.

22. Restrictions Run With Land.

Unless canceled, 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, unless an instrument signed by a majority of the then owners of all lots in Terrace of Twelve Oaks has been recorded, within sixty (60) days of an anniversary date aforesaid, agreeing to change these restrictions and covenants in whole or in part. Failure of any owner 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. Except, as herein provided, these restrictions and covenants may be cancelled, altered, amended or new restrictions added by (1) the Declarant, acting alone; (2) the affirmative action of 75% of the owners of all lots in Section 1 of the Terrace of Twelve Oaks at any time after the Declarant has transferred and assigned its power and authority set forth herein to the "Association" (as defined in paragraph 26 below); or (3) the Board of Directors of the Association as defined in its articles of the corporation and by laws, after the Declarant has transferred and assigned its power an authority set forth herein to the Association.

23. Enforcement.

(a) Each property owner shall comply strictly with the covenants, conditions and restrictions set forth in this Declaration, with the By-laws of the Resident's Association as more particularly described herein below and with the Rules and Regulations in relation to the use and operation of the community, recreation and common areas. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages and/or for injunctive relief. Such action may be maintained by a Lot owner, the Developer and/or the Association on its own behalf or on behalf of the Lot owners aggrieved, or by any person or entity who is aggrieved by such noncompliance. In any case of flagrant or repeated violation of a Lot owner, he may be required by the Association to give sufficient surety or sureties for his future compliance with said covenants, conditions, restriction, By-laws, Rules and Regulations. The Lot owner, Developer, and/or Association may recover all of its costs of enforcement, including court costs and reasonable attorney's fees; and all of such costs shall be a continuing lien upon the Property involved.

(b) In addition to any other remedy that it may have, the Association may levy a reasonable fine against a Lot owner who has violated any covenant, condition or restriction set out in this Declaration, the By-laws or the Rules and Regulations, which fines shall be included in the Rules and Regulations. Before the fine can be levied, the Lot owner must be sent written notice of the nature of the violation and be given thirty (30) days after the date of mailing to cure the violation. If the violation is not cured, the Board of Directors may levy a fine against the Lot owner and against the Property. The fine may be filed as a lien and is otherwise enforceable as an assessment lien, through foreclosure or other civil action, and shall include the right to collect court costs, including reasonable attorney's fee. Each day of the violation may be considered a separate violation.

24. Invalidation.

Each of the above restrictions and covenants shall be independent of every other. Invalidation of any of the above provisions by judicial proceedings or any other means shall in no way effect the validity of the others. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions hereof which shall remain in full force and effect.

25. Patio Home Maintenance Fee.

The owners of Lots 101 through 109, the patio homes, shall be responsible for a monthly maintenance fee which shall be used to provide the following services for Lots 101 through 109:

-General Liability Insurance providing bodily injury and property damage protection for commonly owned properties. Limits of liability shall be \$1,000,000 per occurrence and \$2,000,000 aggregate;

-Annual Resident's Association dues (see Paragraph 26);

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-Escrow for roof replacement; and

-Ground maintenance for sidewalks and driveways designated as private on plat of record:

Includes:

Lawn care (mulching, weeding and mowing) each unit
Ice melt treatment (sidewalks and private driveways)
Snow removal (sidewalks and private driveways)
Trimming shrubs once a year as needed
Lawn chemical service (for insects and weeds)

Excludes:

Shrub removal and/or replacement

The initial maintenance fee shall be \$95.00 per month and shall be paid to the Developer, his successors or assigns. The assessment shall be adjusted as needed to provide for the increase cost in services. Developer shall have the right to enter into a contract with a property management company of its sole choice to provide the property management services for Lots 101 through 109, as set forth herein. The Resident's Association shall assume the contract and shall administer same pursuant to the terms and conditions set forth therein in the event the Developer assigns its rights and obligations thereunder to the Association.

26. Residents; Maintenance Association; Assessments.

(a) A Twelve Oaks Resident's Association has been formed. Owners of lots of Terrace of Twelve Oaks shall become a member of the Twelve Oaks Resident's Association and shall be entitled to all benefits of said Association. This Association will be a nonstock non-profit corporation for the sole benefit of the development and the Lot owners. Upon acceptance of deed and upon formation of this Association, each Lot owner shall be obligated and required to become a member of the Association, to be bound by the Articles of Incorporation, By-laws and Rules and Regulations, shall pay the assessments provided for when due, and shall comply with decisions of the Association's Board of Directors.

(b) Developer or his designate shall be a voting member of the Board of Directors until one hundred percent of the lots are sold or otherwise conveyed to a third party. Developer reserves the right to add additional sections of Terrace of Twelve Oaks to this Resident's Association by future deed or restrictions.

(c) As a member of the Association, owners of lots of the Terrace of Twelve Oaks shall be entitled to have representation and serve as members of the Board of Directors of the Twelve Oaks Resident's Association, the number determined by the Board of Directors from time to time. Owners of lots in Terrace of Twelve Oaks shall have at least a percentage of Board members equal to the percentage of patio homes to single family homes in sections 1 through 5 of Twelve Oaks. The number of Board members may increase to satisfy this requirement.

It is the intent of the Developer that Association dues and services provided to sections 1 through 5 of Twelve Oaks are proportionately shared with Terrace residents and that Terrace

residents receive the benefits of a percentage of their required Association fees in order to maintain and approve common areas of the Terrace of Twelve Oaks.

(d) The purposes of the Association shall be as set forth in its Articles of Incorporation and shall be to promote the social welfare and serve the common good and general welfare of its members and Terrace of Twelve Oaks. In carrying out its purposes, the Association shall have all powers allowed by Chapter 273 of the Kentucky Revised Statutes.

In furtherance of the general purposes, the particular purposes of the Association are:

1. To monitor and enforce the restrictions of the subdivision, which are recorded in the Bullitt County Court Clerk's office.
2. For maintaining, repairing and rebuilding any drainage easements and the parking area, common areas, crosswalks, storm drains, basins, lakes, clubhouse, any common structure of facility, pool, nature trails, entrances, etc., whether owned by the Association or not, as shown on the plats of Twelve Oaks Sections 1 through 5 and the Terrace of Twelve Oaks, and acceptance of common area for purposes of operation, maintenance and repair unless such obligations are otherwise assumed by any municipal or government agency having jurisdiction thereof.
3. To assess levy and collect the annual assessments and special assessments against each lot and members of the Association pursuant to the Bylaws and the restrictions.

(a) Any assessment levied by the Association shall be used only for purposes generally benefiting the Association and its members, and shall constitute a lien upon the lot and shall be enforceable against the real estate by foreclosure or otherwise.

(b) The initial assessment in favor of the Association hereunder shall be \$200.00 (two hundred dollars) per year per lot beginning January 1, 2006. After January 1, 2007, the Board of Directors 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. Non-payment will result in late payment penalties as assessed by the Board of Directors.

(c) Notwithstanding anything to the contrary contained in Paragraph 25, neither the Declarant nor the Developer (nor any builder who has purchased a lot from the Developer, so long as such builder owns such lot and no one lives in the residence constructed on such lot, for a maximum period of twenty-four (24) months) shall be liable for or pay any assessments to the Association with respect to any lots as to which they, or it, hold title.

27. Club/Pool Membership.

All Residents/Owners of the Terrace of Twelve Oaks will have use of all amenities, including common areas, tennis courts and basketball court and any functions (i.e. picnics, cookouts and other activities) associated with the Twelve Oaks Resident's Association. To enjoy the benefits of the Club at Twelve Oaks/pool, Resident/Owner must obtain membership, subject to the following guidelines:

1. The Developer will pay \$500.00 per lot, to the club, when the transfer of a patio home is sold to the Resident. Exception: This payment would not be required if a current Twelve Oaks resident/Club member purchases a patio unit in the Terrace.

2. The Resident/Owner at purchase will have an option at that point to join the club as a Resident of Twelve Oaks by paying the balance of \$2,000.00, over a period of four years at \$500.00 per year. The first payment is due 1 year from the date of the initial \$500.00 payment.

3. The Resident/Owner shall be considered a member and eligible for all benefits associated with the club after the first \$500.00 payment (item 1). Should the Resident/Owner not complete the balance of each subsequent annual payment, until paid in full, then the membership will cease ten (10) days from the due date of the second \$500.00 payment and each payment thereafter. If the Resident/Owner, Member defaults on any annual payment, they shall be required to rejoin under the current terms available to any Resident of Twelve Oaks, at the time the Resident/Owner decides to rejoin.

4. In addition to the membership payments, Resident/Owner shall be required to comply with the annual fees associated with the club, including any pool memberships, as required, after the five (5) year period.

5. The \$500.00 initial payment by the Developer shall be valid as the first year membership payment only.

6. There shall be no refund to the Developer or Resident/Owner of the initial \$500.00 payment.

7. A member of the Terrace of Twelve Oaks shall be entitled to all membership rights, including serving on the Board of Directors.

28. Amendments to Articles and Bylaws.

Nothing in this Declaration of Restrictions shall limit the right of the Association to amend, from time to time, its Articles of Incorporation, Bylaws, and/or Rules and Regulations.

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OAKBROOKE PROPERTIES, LLC

By: Kenneth E. Stout
KENNETH E. STOUT, MANAGING MEMBER

STATE OF KENTUCKY
COUNTY OF BULLITT

I, the undersigned Notary Public, for and in the County and State aforesaid hereby certify that the foregoing instrument was produced before me in said County and State acknowledged by **OAKBROOKE PROPERTIES, LLC**, by and through **Kenneth E. Stout, Managing Member**, party thereto, to be his true act and deed and the true act and deed of said company.

Witness my hand this 3 day of February, 2006.
My commission expires: 11-6-08.

Genny Mill
NOTARY PUBLIC, KENTUCKY STATE AT LARGE

STATE OF KENTUCKY
COUNTY OF BULLITT

Instrument drafted by:

Kenneth Stout
Twelve Oaks Development Corp.
Kenneth E. Stout, President
And Oakbrooke Properties, LLC
Kenneth E. Stout, Managing Member
P.O. Box 170
Mt. Washington, KY 40047
(502) 955-7516

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BULLITT COUNTY, KY
955-7516