

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

SPRINGHURST SUBDIVISION, PHASE 8C
VILLAGE OF WYNBROOKE

JEFFERSON COUNTY, KENTUCKY

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SPRINGHURST SUBDIVISION, PHASE 8C, VILLAGE OF WYNBROOKE is made on December _____, 1998, by HENSON DEVELOPMENT COMPANY, INC., a Kentucky corporation, 7025 W. Highway 22, Crestwood, Kentucky 40014 and HOME DEPOT U.S.A., INC., a Delaware corporation, 2455 Paces Ferry Road, Atlanta, Georgia 30339-9998, each of whom are referred to herein as the "Developer," as applicable. As used in herein, the term Developer shall mean Henson Development Company, Inc., with respect to Lots 711-716, and Home Depot U.S.A., Inc., with respect to Lots 703-710.

WHEREAS, Henson Development Company, Inc., and Home Depot U.S.A., Inc., are the owners and developers of certain real property in Jefferson County, Kentucky, which is to be developed as a residential subdivision;

NOW, THEREFORE, Henson Development Company, Inc., and Home Depot U.S.A., Inc., hereby declare that all of the property described in this instrument 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 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.

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 703 through 716 inclusive as shown on the plat of Springhurst Subdivision, Phase 8C of recorded in Plat and Subdivision Book 5, Page 4, in the office of the Clerk of Jefferson County, Kentucky.

BEING part of the same property acquired by Henson Development Company, Inc., by Deed dated July 14, 1998, of record in Deed Book 7073, Page 405, and the same property acquired by Home Depot U.S.A., Inc., by Deed dated July 16, 1998, of record in Deed Book 7073, Page 585, both in the office of the Clerk of Jefferson County, Kentucky.

ARTICLE 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 for the sole use of the owner and occupants of the Lot.

For purposes of this Declaration, there shall be specifically excluded from the meaning of the phrase "private single-family residential purposes," and shall not be permitted on any Lot within Springhurst, Phase 8C, Village of Wynbrooke, regardless of whether any of the same would otherwise be permitted by any applicable zoning regulations or other governmental laws, rules or regulations, any uses which constitute or relate to (a) boarding houses, (b) lodging houses, (c) fraternities or sororities, (d) clubs, (e) hotels, (f) residences or homes for social rehabilitation, (g) nursing homes, (h) residences or homes for the aged or infirm, (i) programs with respect to which admission to residency in or occupancy of the premises is limited to or intended in whole or in part for persons in the custody of the criminal justice system or the

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juvenile justice system and/or persons engaged in the care, custody, nurturance or supervision of such persons, j) any Exceptional Residential Use (as presently defined in Article 2 of the Regulations of the Louisville and Jefferson County Planning Commission), and (k) any "group home" or other similar use as determined by Developer and/or the Board.

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 of a permanent or 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 it being provided however that nothing herein contained shall prevent any Lot Owner from constructing, erecting or maintaining any recreational structure (such as a gazebo, small playhouse, swing set, jungle gym or the like) on any Lot provided that the plans for such shall have been approved in writing by Developer prior to the construction of any such recreational structure.

(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.

(c) No trailer, truck, motorcycle, commercial vehicle, 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, 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 year.

(d) No automobile shall be continuously or habitually parked on any street or public right-of-way in the subdivision.

Section 4. Animals. 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.

Section 5. Clothes Lines, Fences and Walls; Hedges; Tennis Courts; Swimming Pools; Antennae and Receivers/Transmitters; Yard Ornaments.

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

(b) No wall, hedge or fence shall be placed or planted on any Lot unless its design and placement of planting are approved in writing by Developer. Fencing for children, small pets, or for swimming pool enclosures may be considered. Fence material to be of wood, masonry or possibly wrought iron, and landscaped. Chain link fences will not be approved except as provided in Section 5(c) below.

(c) No tennis court fence shall be erected on any Lot in the subdivision unless the fencing is coated with black or green vinyl acceptable to Developer and the plans for such fence have been approved by Developer in writing pursuant to Article III hereof.

(d) No aboveground swimming pool shall be erected or placed on any Lot.

(e) No antennae (except for standard small television antennae) or microwave and other receivers and transmitters (including those currently called "satellite dishes") shall be erected or placed on any Lot unless (i) the Lot Owner can show special circumstances requiring the use of extraordinary receivers or transmitters; (ii) the device is adequately screened or buffered by mature shrubbery or trees, by terrain or by fences or other structures; and (iii) its design and placement are approved by Developer. By granting permission to a Lot Owner to erect receivers or transmitters, Developer shall not be deemed to have waived this restriction as it may apply to other Lots in Springhurst.

(f) No ornamental yard objects, statuary or sculpture, etc., shall be placed on any Lot unless its design and placement are approved in writing by Developer.

(g) Developer reserves the right to place a fence on the outer perimeter of the subdivision or, to replace existing wire or wood fences. Fences placed will be the responsibility of adjacent Lot Owners for maintenance and repairs.

Section 6. Duty to Maintain Lot

(a) From and after the date of purchase of a Lot until construction of a single-family residence is begun, Developer shall have the exclusive right 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 \$10.00 per month for the first year following the date the Lot Owner acquires title to a Lot; thereafter, Developer may assess the Lot Owner at an amount Developer determines necessary to maintain the Lot.

(b) From and after the date construction of a single family residence on a Lot is begun, it shall be the duty of each Lot Owner to keep the grass on the Lot property 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 may take such action as it deems appropriate, including mowing, in order to make the Lot neat and attractive 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 by foreclosure against that Lot and the improvements thereon, but such lien shall be subordinate to any then existing first mortgage thereon.

Section 7. 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 single-family dwelling approved according to Article III hereof, upon each Lot conveyed, Developer may elect to repurchase any and all 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 reconvey and deliver possession of said Lot or Lots to Developer by deed of special warranty. The obligations, duties and requirements of this Section 7 shall run to and benefit the Developer only, may be waived or extended by Developer and shall not pass to or extend to the Community Association.

Section 8. Duty to Repair and Rebuild

(a) Lot Owners shall, at their sole cost and expense, repair their residence, keeping it in a condition comparable to that 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 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.

Section 9. Business; Home Occupations. No trade or business of any kind (and no practice of medicine, dentistry, chiropraxy, osteopathy and other like endeavors) shall be conducted on any Lot, other than personal and private business which does not increase traffic to the 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, a new house may be used by a builder thereof as a model home for display or for the builder's own office provided said use terminates within eighteen months from completion of the house or upon such additional period of time as may be expressly agreed to in writing by Developer.

Section 10. 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 by the builder and one sign by a real estate agent or Lot Owner advertising the sale or rent thereof, which shall not be greater in area than nine square feet each; provided, however, Developer shall have the right to (i) erect larger signs when advertising the subdivision (ii) place signs on Lots designating the Lot numbers, and (iii) following the sale of a Lot, place signs on such Lot indicating the name of the purchaser. This restriction shall not prohibit placement of occupant name signs and Lot numbers as allowed by applicable zoning regulations.

Section 11. Drainage, Erosion and Sediment Control.

(a) Drainage of each Lot shall conform to the general drainage plans of Developer for the subdivision. 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.

(b) It shall be the further responsibility of each Lot Owner to prevent mud, dirt, silt, gravel or other debris from washing, draining or being otherwise deposited upon any street in Springhurst. This requirement is in keeping with the Federal Clean Water Act which has been adopted in the Commonwealth of Kentucky.

(c) Developer shall provide each Lot Owner with a detailed drainage plan for each Lot and Lot Owner shall conform any construction on any Lot to such drainage plan. It shall be the responsibility of each Lot Owner to ensure that the grading of his Lot shall comply with the drainage plan. If drainage is blocked or altered, the Lot Owner shall correct the problem at his expense or Developer may correct the problem and the Lot Owner shall be responsible for any costs or expenses associated therewith.

Section 12. 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. If trash is placed on Lot, Owner must remove it within thirty (30) days. The sanitary disposal company responsible for the collection of trash and garbage in Springhurst shall be selected by the Developer or the Community Association and no other company shall be used without the express written approval of Developer or any person or association to whom it may assign the right.

Section 13. Underground Utility Service.

(a) Each Lot Owner's electric and telephone utility service lines shall be underground throughout the length of service line from Louisville Gas & Electric's ("LG&E") and BellSouth Telephone Company's ("BellSouth"), respective points of delivery to the customer's building. Title to the service lines shall remain in, and the cost of installation and maintenance thereof shall be borne by, the Lot Owner upon whose Lot the service line is located.

Appropriate easements as shall be acceptable to Developer, are hereby dedicated and reserved to LG&E and BellSouth, together with the right of ingress and egress over abutting lots or properties to install, operate and maintain electric and telephone service lines from each Lot to LG&E's and BellSouth's respective termination points. Electric and telephone 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 thereon 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.

(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 spaces) as outlined by dash lines and designated for underground and overhead facilities.

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

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

(c) The electric and telephone easements dedicated and reserved in this Section 13, and those as shown on a plat for any phase of Springhurst, including, without limitation, the Phase 8C, Village of Wynbrooke, shall include easements for the installation, operation and maintenance of cable television service to the Lots, common areas, clubhouse and recreational facilities, including the 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 communications, telecommunications and energy transmission mediums.

Section 14. Rules for Common Areas. The Community Association is authorized to adopt rules for the use of common areas and such rules shall be furnished in writing to the Lot Owners.

Article III -- ARCHITECTURAL CONTRC

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; (ii) views of the house (front, rear and side elevations); (iii) the relationship of the finished grade of the front or side yard to the top of the curb; (iv) the type of exterior materials (including delivery to Developer of a sample thereof, if requested); (v) the color of paint or stain to be applied to any exterior surfaces (including delivery to Developer of a sample thereof, if requested); and (vi) the location and size of the driveway (which shall be either asphalt or exposed aggregate concrete, shall have been approved in writing by the Developer

(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.

(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), 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; Paint Colors; Foundation

(a) The exterior building material of all structures shall be either brick, stone, brick veneer or stone veneer or a combination of same, and shall extend to ground level. However, Developer recognizes that the appearance of other exterior building materials (such as wood siding, stucco, drivet, cedar, vinyl or the like) 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 a plane of 8 inches vertical for every plane of 12 inches horizontal.

(c) Prior to the commencement of construction on any Lot, the general contractor constructing such structure shall be approved in writing by Developer. Developer makes this requirement to maintain high quality of construction within Springhurst.

(d) The color of any paint or stain to be applied to exterior surfaces, whether original application or later reapplication, must be approved by Developer or its successor (including the Community Association).

Section 3. Minimum Floor Areas; Elevations. 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 1400 square feet, exclusive of the garage.

(b) The ground floor area of a one and one-half story house shall be a minimum of 1000 square feet, exclusive of the garage.

(c) The ground floor area of a two story house shall be a minimum of 950 square feet with a total floor area of 1900 square feet, exclusive of the garage.

(d) The total floor area of all other types of house design shall be a minimum of 1900 square feet exclusive of the garage.

(e) Finished 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 shown on the recorded plat, except bay windows and steps may project into said areas, and open porches may project into said areas not more than six feet. Developer may vary the established building lines, in its sole discretion, where not in conflict with applicable zoning regulations.

Section 5. Garages; Carports. All Lots shall have at least a two car garage unless otherwise approved in writing by Developer. No detached garages or carports are allowed, unless otherwise approved in writing by Developer. Garages, as structures, are subject to prior plan approval under Section 1 hereof.

Section 6. Landscaping; Sidewalks; Driveways; Trees.

(a) Within sixty (60) days of the final completion of construction of a residence, the Lot Owner shall grade, sod, and landscape that portion of the Lot between the front and street side walls of the residence and the pavement of any abutting streets. Developer in its sole discretion may extend or postpone this sixty (30) day period to allow for weather conditions.

(b) Each Lot Owner shall cause a sidewalk to be constructed on each Lot within one (1) year from the date of construction of a residence on 80% of the lots in this Phase has begun, whether or not the Lot Owner has begun construction on that particular Lot.

(c) Each Lot Owner shall provide an exposed aggregate concrete and/or brick or stone driveway on each Lot within three (3) months following completion of a single-family dwelling on said Lot. No asphalt driveway will be permitted on any Lot.

(d) Upon final completion of construction of a residence, the Lot Owner shall cause to be planted two trees (at least two inches in diameter) in the front yard of the Lot and where the Lot is a corner Lot, two such trees in the street side yard. These trees shall be in addition to any trees planted in the right-of-way by Developer or other performing party. No tree shall be removed from any Lot without the prior written approval of Developer.

(e) Upon a Lot Owner's failure to comply with the provisions of this Section 6, Developer may take such action as necessary to comply therewith, and the Lot Owner shall immediately, upon demand, reimburse Developer or other performing party for all expenses incurred in so doing, together with all allowable statutory interest, and Developer shall have a lien for such expenses and statutory interest 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 7. Mail and Paper Boxes. A mailbox and paper box selected by the Developer will be placed on each Lot at the Lot Owner's expense.

ARTICLE IV - COMMUNITY ASSOCIATION

Section 1. Community Association. The Springhurst Community Association, inc. ("Community Association"), has been created to maintain common areas (which includes open spaces, lakes and certain other recreational and community facilities) and to provide other functions set forth herein. Every owner of a Lot in this Phase of Springhurst Subdivision shall be a member of the Community Association and subject to the membership obligations established in this instrument, including association rules adopted under Article II Section 14.

Section 2. Lot Owners' Easements of Enjoyment. Every Lot Owner shall have a right and easement of enjoyment in and to the common areas which shall be appurtenant to and shall pass with the title to every Lot. "Common area(s)" means and refers to a non-residential Lots and areas, which are shown on any recorded final subdivision plat within any portion of Springhurst made subject to the Community Association, together with all other improvements owned or to be owned by the Community Association. Developer releases and quitclaims to the Community Association its right and title to the common areas. The right of enjoyment is subject to the following provisions:

(a) The right of the Community Association to borrow money for the purpose of improving the common areas or for constructing, repairing or improving any facilities located or to be located thereon, and to give as security for the payment of any such loan a mortgage conveying all or a part of the common areas;

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(b) The right of the Community Association to suspend the voting rights and the right to use the common areas for any period during which any assessment against a Lot remains unpaid, and for a period of time or any infraction of the published rules and regulations;

(c) The right of the Community Association to dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Community Association and such agency, authority or utility; and

(d) The right of the Community Association to permit the use of and to charge an initiation fee (currently \$300.00) and reasonable admission and other fees for the use of the clubhouse and any recreational facilities situated in Springhurst. The Board of Directors of the Community Association may, as part of the operation of the clubhouse and recreational facilities, permit nonresidents of Springhurst to use the clubhouse and recreational facilities for a reasonable annual fee payable to the Community Association. Such users shall not be members of the Community Association.

Section 3. Delegation of Use. Lot Owners may delegate, in accordance with the Bylaws, their right of enjoyment to the common areas to the members of their families or to their tenants or contract purchasers who reside on the property. Membership in the Community Association may not be conveyed separately from ownership in the Lot.

Section 4. Community Association's Right of Entry. The authorized representative of the Community 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 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.

Section 5. Assessments; Creation of the Lien and Personal Obligation. Each Lot Owner, except Developer, by acceptance of a deed for a Lot, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Community Association (i) annual assessments or charges, and (ii) special assessments for capital improvements, such assessments to be established and collected as provided in this Article IV. The annual and special assessments, together with interest, costs and reasonable attorney fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 6. Purpose of Assessments.

(a) The assessments levied by the Community Association shall be used exclusively to promote the health, safety and welfare of the residents and in particular for the acquisition, improvement and maintenance of properties and services devoted to this purpose, or for the use and enjoyment of the common areas, including, but not limited to, 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 to represent the Community Association when necessary, and such other needs as may arise. The Community Association shall maintain, operate and repair, unless such obligations are assumed by any municipal or governmental agency having jurisdiction thereof, the common areas, open spaces, gatehouse, entranceways, streets, crosswalks, medians, berms, storm drains, basins, lakes and other improvements.

(b) In addition to the above obligations, the Community Association shall be responsible for the maintenance of the landscape easement along Hurstbourne Parkway shown on the plat of Springhurst Subdivision, Phase I of record in Plat and Subdivision Book 37, Pages 83 and 84, in the office of the Clerk of Jefferson County, Kentucky. The landscaping shall include shrubs, trees, flowers and ground cover which shall be regularly maintained by the cutting of grass, trimming and where necessary, replacement of shrubs and trees. The Kentucky Department of Highways and the Jefferson County Public Works and Transportation Department shall have the right to make changes in the maintenance or in the

embankment and slopes where necessary to maintain the integrity of the Hurstbourne Parkway right-of-way.

Section 7. Annual Assessment.

(a) The annual assessment shall be \$604.00 per year per Lot for the year of 1998. Thereafter, the annual assessment may be increased each year by not more than 20% above the assessment for the previous year without a vote of two-thirds of the members pursuant to the Bylaws.

(b) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum provided above. The Board of Directors shall determine when the assessments shall be paid.

Section 8. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Community 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 a common area, including fixtures and personal property related thereto. Any such assessment shall have the assent of the members of the Community Association in accordance with the Bylaws.

Section 9. Uniform Rate of Assessment: Exception. Except as otherwise provided herein, both annual and special assessments shall be fixed at a uniform rate for all Lots except those unimproved and unoccupied Lots owned by Developer or a builder. The Board of Directors may at its discretion waive the assessment for any year or part of a year for any Lot not occupied as a residence.

Section 10. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall begin as to any Lot subject to the assessment at the time the Lot is occupied as a residence. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year when the Lot is first occupied as a residence.

Section 11. Effect of Nonpayment of Assessments; Remedies of the Community Association. Any assessment not paid by the due date shall bear interest from the due date at the rate of 10% per annum or the maximum rate of interest then allowable by Kentucky law, whichever is greater. The Community Association may bring an action at law against the Lot Owner personally obligated to pay the assessment, or foreclose the lien against the property, and interest, costs and reasonable attorney fees of such action or foreclosure shall be added to the amount of such assessments. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common areas or abandonment of a Lot.

Section 12. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any then existing 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 from liability for any assessments thereafter becoming due or from the lien.

Section 13. Membership. Every owner of a Lot which is subject to an assessment shall be a member of the Community Association. Such owner and member shall abide by the Community Association's Bylaws, Articles of Incorporation recorded in Corporation Book 416, Page 659 in the office of the Clerk of Jefferson County, Kentucky, rules and regulations, as amended, and shall pay the assessments provided for in this Declaration, when due, and shall comply with decisions of the Community Association's Board of Directors. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

ARTICLE V -- GENERAL PROVISIONS

Section 1. Enforcement. Enforcement of these restrictions shall be by proceedings at law or in equity, brought by any Lot Owner or by Developer against any party violating or attempting to violate any covenant or restrictions either to restrain violation, to direct restoration

and/or to recover damages if any Lot Owner, the Community Association or Developer is required to employ legal counsel to enforce any of the provisions or restrictions of this Declaration or exercise any of its remedies provided for herein, the party violating a provision or restriction of this Declaration shall pay all legal expenses, including court costs and attorney fees, incurred by the party enforcing these restrictions. The party enforcing these restrictions shall have a lien on the Lot of the party violating these restrictions to secure payment of all such legal expenses, which lien may be enforced in the same manner as the liens provided in Article IV, Section 5 and Article IV, Section 11 of this Declaration. Failure of any Lot 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 and the exercise of any remedy provided for herein or at law or in equity shall not preclude the exercise of any other remedy available at law or in equity.

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, the provisions of this Declaration shall run with the land and shall be binding on the Lots, the owners of each Lot and all parties claiming under them, for a period of thirty (30) years from the date this Declaration is recorded. After such thirty (30) years, this Declaration shall be deemed extended automatically for successive periods of ten (10) years, unless and until an instrument signed by at least seventy-five percent (75%) of the Lot Owners of the Lots subject to this Declaration has been recorded in the aforesaid Clerk's office, agreeing to change this Declaration in whole or in part and the term hereof; provided, however, that if Developer, its designated successors or assigns, as applicable, then owns any Lot, this Declaration may not be so changed in whole or in part without the prior written consent of Developer in its sole discretion.

Section 4. Amendments to Articles and Bylaws. Nothing in this Declaration shall limit the right of the Community 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 or officers of the Community Association shall be personally liable to the Lot 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 Lot 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.

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

Section 7. Open Space and Signature Walls. The Community Association will maintain the open space and signature walls which are an integral part of the subdivision community and development and it being specifically provided that notwithstanding any article, paragraph, sentence, clause or other provision which may be contained in this Declaration, that in the event that these Covenants, Conditions and Restrictions shall be amended, altered, modified or cancelled, then in such event the Lot Owners shall continue to be obligated to maintain the common areas and signature walls of Springhurst unless and until the said common areas and signature walls shall have been transferred to and accepted by a governmental agency for upkeep and maintenance. No common areas including medians in the right of way, open space or signature walls shall be dedicated to a unit of local government without the acceptance of the unit of local government involved and the approval of the Louisville and Jefferson County Planning Commission. The provisions contained in this Article V, Section 7 shall not be amended by the Community Association.

WITNESS the signature of Developer by its duly authorized officer on this ___ day of December, 1998.

HENSON DEVELOPMENT COMPANY, INC.,
a Kentucky corporation

HOME DEPOT U.S.A., INC.,
a Delaware corporation

By: Donald R. Henson, President
Donald Henson, President

By: [Signature]
Title: _____ *At Well!*

COMMONWEALTH OF KENTUCKY)
)SS
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me on December 28, 1998, by Donald Henson as President of Henson Development Company, Inc., a Kentucky corporation, on behalf of the corporation.

[Signature]
NOTARY PUBLIC STATE AT LARGE, KY
My commission expires: 6/16/2002

STATE OF GEORGIA)
)SS
COUNTY OF Cobb)

The foregoing instrument was acknowledged before me on December 17, 1998, by Kathryn E. Lee as Sr. Corp Counsel/LE of Home Depot U.S.A., Inc., a Delaware corporation, on behalf of the corporation.

[Signature]
NOTARY PUBLIC
My commission expires: _____



This instrument prepared by

[Signature]

Harry B. Diamond, Esq.
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Total Fees: 25.00
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County Clerk: Bobbie Holcclaw
Deputy Clerk: TER416

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