

**DECLARATION OF MASTER DEED
FOR
BLUEGRASS COMMONS CONDOMINIUM HOMES**

THIS DECLARATION OF MASTER DEED is made and entered into as of August 12, 2008, by THE TENNESSEE BOYS, LLC, a Tennessee limited liability company, whose address is 817 19th St Knoxville TN 37916 (hereinafter jointly referred to as "Developer").

WITNESSETH:

That whereas, Developer is the owner in fee simple of a certain tract of land located in Lexington, Fayette County, Kentucky, more particularly described below; and

WHEREAS, Developer desires to develop said land into a residential condominium project with an overall plan consisting of at least 3 buildings, including at least 64 units; and;

WHEREAS, Developer desires to, and does hereby file its plans for said building and the Units as built, as shown on plans simultaneously recorded herewith together with any and all other structures and improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in anywise pertaining thereto, to submit to the provisions of the Kentucky Horizontal Property Law, KRS 381.805 to .910, as amended; and

WHEREAS, Developer desires to establish certain rights and easements in, over and upon said real estate for the benefit of itself and all future owners of any part of said real estate, and any Unit or Units thereof or therein contained to provide for the harmonious, beneficial and proper use and conduct of the property; and

WHEREAS, Developer desires and intends that the Unit Owners, Mortgagees, Occupants and other persons hereafter acquiring any interest in the property shall at all times enjoy the benefits of and shall hold their interests subject to the rights, easements and privileges and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of condominium ownership of the property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the property.

SECTION I

ESTABLISHING OF HORIZONTAL PROPERTY REGIME

(a) *Development.* The Land and Building(s) and all other improvements located on the Land shall be and are herewith constituted and established as a horizontal property regime as defined by the Condominium Property Laws of Kentucky, as amended, and legally described as in Exhibit "A" herein.

(b) *Ownership of Units.* A Unit in the building(s) may be individually conveyed and encumbered and may be the subject of ownership, possession for sale and of all types of judicial acts, intervivos or mortis causa, as if it were solely and entirely independent of the other units in the building(s) of which they form a part, and the corresponding individual titles and interest shall be recordable. Any Unit may be held and owned by more than one (1) person, as tenants in common, as tenants by the entirety, or in any other real estate tenancy relationship recognized under the laws of the state of Kentucky; provided that no Unit shall be owned or devised in any manner whatsoever as to

MAIL TO
PREPARER

establish or create a time-share or interval ownership. In any deed, mortgage, lease or other instrument of conveyance or encumbrance of, or by which a lien is created upon, any interest or estate in a Unit within the building(s), it is sufficient to describe any such Unit by setting forth the name of the property, "Bluegrass Commons Condominiums," the number of the Unit as it appears on the Building plans (hereinafter defined) and the number of this instrument in the records of the County Court Clerk of Fayette County, Kentucky.

(c) *Unit owners' Rights in Common Elements.* A Unit Owner shall have an exclusive ownership to his or her Unit and shall have the common right to share with the other Unit Owners in the common elements, as hereinafter defined, of the property and limited use of certain limited common areas as set forth herein. Each Unit Owner may use the elements held in common in accordance with the purposes expressed in this Master Deed and as provided from time to time by the rules or regulation of the Board of Directors of the Association. Any conveyance of an individual Unit shall be deemed to also convey the undivided interest of the Unit Owner in the common elements, both general and limited, appertaining to the Unit without specifically or particularly referring to the same. No Unit Owner, whether by deed, mortgage, deed of trust, last will and testament, inheritance, gift or otherwise, shall have any right to transfer, convey, mortgage the Unit belonging to the Unit Owner without also transferring, conveying or mortgaging as an incident thereto the undivided interest in the general common elements appertain to that Unit; conversely, no Unit Owner shall have any right to transfer, convey or mortgage any part of the undivided interest appertain to that Unit such general common elements without also transferring, conveying or mortgaging the Unit to which the undivided interest in such general common elements is appurtenant.

(d) *No Partition Permitted.* The general common elements, as hereinafter defined, shall remain undivided and shall not be the object of an action for partition or for division by judicial proceeding or otherwise. No Unit or the undivided interest in the general common elements appurtenant to any Unit shall be partitioned in a manner nor subdivided into smaller Units by judicial proceedings or otherwise; provided, with the approval of the Board of Directors of the Association of the Unit Owners (the "Association") two or more individual Units may be connected and used together as a single dwelling Unit; provided further that the connection of two or more Units shall not affect a merger of the Units joined nor render a fewer number of the total number of units within the regimes as to diminish or reduce the prorated share of the expenses of the administration and of maintenance and repair of the general common elements assessed to such Unit as hereinafter provided.

(e) *Owners to Comply with Master Deed and Bylaws.* Each Unit owner, the Unit Owner's personal representatives, heirs and assigns shall, at all times, comply with the provisions and requirements of this Master Deed, with the Bylaws hereinafter set forth and all amendments thereof, and with such rules and regulations as may be established from time to time by the Board of Directors of the Association, and shall promptly pay, when due, all assessments and the pro rata share of the expenses of administration and of maintenance and repair of the general common elements, as hereinafter provided. The failure to comply with and such provision or requirements, or the failure to make any such payment, shall be grounds for an action to recover the sum due for damages and for injunctive or other relief as hereinafter provided.

(f) *The Bylaws as a Part of this Master Deed.* Each and all of the rights, privileges and benefits of each and all of the duties, burdens, requirements and restrictions contained in the Bylaws,

resulting from the establishment of a horizontal property regime in accordance therewith, shall be applicable to the Land and building(s) and to each Unit Owner, both with respect to the Unit and the undivided interest in the general common elements appurtenant to the Unit, except to the extent that an express contrary provision is validly made in this Master Deed or in the Bylaws forming a part hereof, and, to that end, the Bylaws, as amended from time to time, are incorporated herein by reference as fully as though set out herein in full. In the event the Bylaws or any provision thereof is, at any time declared or found to be unconstitutional or invalid, the provisions of the Master Deed and the plan for a Unit owner to own a Unit in fee simple, separately and independently, and to own an undivided interest in the general common elements and in all other incidents thereto as set out in this Master Deed, shall nonetheless continue in full force and effect as authorized by the laws of the State of Kentucky.

SECTION II DEFINITIONS

Unless the context clearly indicated a different meaning thereof, certain terms as used in this Master Deed (whether capitalized or not) shall be defined as follows:

- (a) "Association" is a not for profit Kentucky corporation known as Bluegrass Commons Condominiums Association of Unit Owners, Inc., which includes as members all of the Unit Owners.
- (b) "Board of Directors" means the administering body of the Association.
- (c) "Building(s)" means the building(s) containing and including individual Units as shown in the plans filed August 12, 2008, pursuant to KRS 381.835, which floor plans are of record in Condominium Plat Cabinet G, Slide 998, in the Office of the Fayette County Court Clerk. Said Plans, and any amendments thereto are incorporated by reference hereto, and are hereto made a part of this Master Deed.
- (d) "Building Plans" means the floor plans of the Units appended to this Master Deed, collectively, as Exhibit B.
- (e) "Common Elements" and "Common Area" are synonymous and mean all of the Land and the building(s) and other property, except that any Common Elements within a Unit shall be included as Limited Common Elements. Common Elements shall include all structural and bearing elements of any building.
- (f) "Developer" means The Tennessee Boys, LLC dba University Real Estate and Development Company, LLC, a Kentucky LLC, or its designee, which has made and executed this Master Deed.
- (g) "Development" means the entirety of the land and all structures thereon.
- (h) "General Common Elements" means and includes both Common Elements and Common Area and Limited Common Elements and Limited Common Area.
- (i) "Bluegrass Commons Condominiums" is the name of the Development.
- (j) "Limited Common Elements" shall be synonymous with "Limited Common Area" and means those portions of the common elements which are reserved or reasonably meant for the use of a particular Unit or Units to the exclusion of the owners of the other Units and

shall include specifically the limited Common Elements set forth, designated and described on Exhibit B to this Master Deed.

- (k) "Majority of Unit Owners" means Unit owners entitled to cast more than fifty percent (50%) of the votes as provided in Section XIX (e) of the Master Deed.
- (l) "Manager" means the person or firm designated by the Board of Directors to manage the affairs of the Developments.
- (m) "Member" means a member of the Association who is the Unit Owner of a Unit. All Unit Owners of an individual Unit shall be members. The cessation of the ownership of a Unit shall terminate membership.
- (n) "Plat" means the plat of the Development attached hereto as Exhibit "B".
- (o) "Unit" as defined in KRS 381.810 (1) means that part of the Development intended ownership and use of a Unit owner exclusive of Unit Owners of other Units within the Development; and;
 - (1) Each individual Unit shall consist of all the improvements and space therein within the boundary lines for the Unit, as set out on the Plat and Building Plans, respectively attached hereto as Exhibit B, respectively. Nothing contained herein shall be construed to include any of the land as part of an individual Unit.
 - (2) The lower boundary of any Unit shall be the unfinished interior surface of the floors of the Unit.
 - (3) The upper boundary of any Unit shall be the unfinished interior surface of the sheetrock on the ceiling of the Unit.
 - (4) The lateral or perimetrical boundaries of the unit shall be an irregular line which shall follow the unfinished interior surfaces of the sheetrock on the walls of the Unit (to include the sheetrock), and shall extend upward and downward to the limits of the improvements.

The definition a "Unit" set forth above to the contrary notwithstanding, each Unit additionally includes as appurtenant to fee title, without limitation, such appliances and fixtures as may be located with the Unit perimeters, the heating cooling and ventilation systems serving a Unit, whether contained within or without the physical perimeters of the Unit, the panes of glass in the windows (excluding windows located in dormers on roof, which shall be a Common Area), alarm systems and other apparatus limited to the Unit, all wall and floor finishes and all interior improvements, all other fixtures initially included thereon or added thereto and the exterior and interior of all exit doors of the Unit. Any components or installations of central utilities, or any part of the building(s) rationally of common use or necessary to the existence, upkeep and safety of the building(s) shall constitute a common element, though within the perimeter walls of a Unit.

- (p) "Unit Owner" or "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns a Unit or Units within the Development. When two or more persons own a Unit as tenants in common, joint tenants, tenants by the entirety, or form of multiple ownership, such persons shall constitute the owners or co-owners, in the case of joint tenancy, tenancy by the entirety, or any tenancy

now or hereafter cognizable at law as a real property estate, with respect to that Unit; provided that no provisions of this Master Deed shall be construed to permit a time-share or other form of interval ownership in violation of the restriction against such form of ownership set forth Section I (b) above.

SECTION III

DESCRIPTION OF LAND AND BUILDINGS

The Land is owned by the developer in fee simple, and embraces the marked area shown on the Plat which is attached hereto and made a part hereof as Exhibit B. The buildings situated on the Land embrace the area and includes the Units and the general common elements as shown on the Building Plans appended to this Master Deed as Exhibit B.

SECTION IV

DESCRIPTION AND NUBMER OF UNITS

The Development compromises sixty-four (64) individual Units within three (3) buildings. Each Unit has the number, location, and dimensions shown on the Plat Building Plans, respectively appended to this Master Deed as Exhibit B. Detailed plans of each Unit, as designated by the number on Exhibit B, are depicted in detail on the Building Plans attached as Exhibit B, to this Master Deed.

The boundary lines of each Unit are those shown on the Plat and Building Plans. In the event of any variation between the distances as shown on the Plat and Building Plans and the actual distances shall prevail. Each Unit includes each and all of the things and matters mentioned in the definition of Unit.

In the event that, by reason of construction, settlement, reconstruction or shifting of the building, any part of a Unit forming a boundary shifts or changes, then the boundary of such Unit shall likewise shift or change, it being always the intention of this instrument that the boundaries as defined in Section II(o) hereof shall constitute its actual boundaries.

The identification number of the individual Units (the area and location of each being shown on the Plat and Building Plans exhibited hereto), the number of votes per Unit are as expressed in Exhibit B attached hereto and made a part hereof by reference and shall have permanent character and shall not be altered without the consent of all Unit owners expressed in an amended Declaration duly recorded in accordance with the provisions of this Master Deed. The percentage of undecided interest in the general common elements shall not be separated from the Unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

SECTION V

DESCRIPTION OF COMMON ELEMENTS

The "Common Elements" and "Common Area" are synonymous and are defined above.

All common elements and the common areas are subject to the joint use and enjoyment by each and all of the Unit Owners.

Without in anywise limiting the generality of the above definition of common elements and common area, the common area, the common elements shall include, without limitation:

- (i) Such portion of the Land described in the preamble of this Master Deed as shall have been made subject to the covenants and restrictions of the Master Deed, together with

all parking and driveway area, roofs, dormers, storage and refuse areas, and landscaping.

- (ii) Exterior walls (exclusive of the panes of glass in the windows of each Unit and the exterior and interior of exit doors of each Unit, but including windows in dormers on roof), foundations and roofs.
- (iii) All utility installations up to the point of connection in a Unit (with the exception of fixtures within a Unit for the purpose of serving that particular Unit) including but not limited to electric, wiring, plumbing, and sanitary lines and all pipes, ducts or other equipment used to provide power light, telephone, gas, water, heat or other utility services to the individual Units. Any heating, air conditioning or ventilation equipment located outside the Unit but intended for use specifically by the Unit shall be part of that Unit and shall not be a common element.

The undivided right, title and interest of each Unit Owner, as an incident and appurtenance to ownership of such Unit, in the land and in the other common elements and in all of the improvements and facilities thereon (excepting always the Units, as above described and as shown on the Plat and Building Plans for any additional Units added pursuant to the provisions hereof) shall be that Unit's percentage interest as set forth in Exhibit B, under the column so styled.

SECTION VI

BY-LAWS FOR ADMINISTRATION

The Bylaws for the administration of the Development approved and adopted by the Board of Directors, which shall govern and control, in part, the affairs and administration of the Condominium Project.

SECTION VII

BOOKS OF BOARD OF DIRECTORS

The Board of Directors, as established by the Bylaws, and its successor, shall keep a book with a detailed account, in chronological order, of the receipts and expenditures affecting the Development and the administration of the Development and specifying the maintenance and repair expenses of the general common elements and any other expenses incurred. Both book and the vouchers accrediting the entries made thereupon shall be available for examination by all the Unit Owners at convenient hours on working days that shall be set and announced for general knowledge.

SECTION VIII

EXPENSES, PRORATED TAXES

The Unit owners of the Units are bound to contribute pro rata toward the expenses of administration and maintenance and repair of those portions of the Development required hereby, as assessed from time to time by the Board of Directors or its successor.

No Unit Owner may exempt himself, herself or themselves from contributing toward such expenses by waiver of the use or enjoyment of the general common elements or by abandonment of the Unit belonging to that Unit Owner or by any other means.

The sale or conveyance of a Unit shall in all cases be subject to a lien in favor of the Association securing payment of all unpaid assessments against the Unit Owner thereof for his, her, or their pro rata share in the expenses to which this section refers and, if the arrearages are not paid and discharged by the Unit Owner thereof prior to sale or conveyance of his, her or their Unit, the lien shall

run with and follow title to the Unit against which the lien attached. Likewise taxes and other levies and assessments of governmental taxing bodies shall be a lien against Units.

SECTION IX INSURANCE

The Developer, the assignee(s) of Developer, and each Unit Owner, agree that the building, including all Units and interior portions thereof, common elements and limited common elements shall be insured against risks set forth in the Bylaws, including fire and extended coverage. Public liability insurance shall also be maintained. The premiums for such insurance coverage shall be a common expense unless otherwise provided. This provision shall have the same force and effect of a resolution adopted by a majority of the Unit Owners under KRS 381.885. In case of fire or any other disaster, the insurance indemnity shall be applied to reconstruct the Development in the manner and with the exceptions set forth in the Bylaws.

SECTION X UNITS TO BE SEPARATELY TAXED AS ENTITIES

Each Unit shall be taxed as an entity with such Unit's percentage interest in the general common elements to be assessed proportionately and paid by the Unit Owner of such Unit as provided in KRS 381.900.

The above provision shall become effective with all taxes, assessments and other charges of any taxing Unit with the calendar year within which this Master Deed is recorded. The developer (for the year when this Master Deed is recorded) shall pay all such taxes, assessments and other charge when due and shall be entitled to an apportionment and proration of such taxes with respect to the sale of any Unit in the manner agreed upon in the contract of sale, or as otherwise determined by Developer.

Each Unit Owner covenants and agrees to the above basis of taxation, and all Unit Owners, both present and future, irrevocably instruct and empower the Board of Directors to take all steps necessary to insure that the above method and basis of taxation is applied by and respected by any and all taxing Units of this State and of any political subdivisions or any other taxing or assessing authority thereof.

SECTION XI APPURTENANCES TO UNITS

Each Unit shall include without limitation by reason of enumeration, and the same shall pass with each Unit as an inseparable appurtenance thereto, whether or not separately described, conveyed or encumbered, the following rights, privileges and interests:

- (a) An undivided share of the general common elements, such as undivided share to be that percentage interest set forth in Exhibit B, hereto;
- (b) The right to use such of the limited common area as is specifically provided for herein, subject always to the rules and regulations made by the Board of Directors;
- (c) Easements for the benefit of the Unit;
- (d) The same percentage interest as provided in Section (a) hereof in funds, reserves and assets held by the Board of Directors for the benefit of the Unit Owners;
- (e) All such appurtenances, however, shall be and continue to be subject to the easements for the benefit of other Units;

- (f) The following easements from each Unit Owner to each other Unit Owner:
- (i) Ingress and Egress. Easements through the general common elements for ingress and egress for all persons making use of such common elements in accordance with the terms of the Master Deed.
 - (ii) Maintenance, Repair and Replacement. Easements through the units and general common elements for maintenance, repair and replacement of the Units and general common elements. Use of these easements for access to the Units shall be limited to reasonable hours, except that access may be had at any time in case of emergency.
 - (iii) Structural Support. Every portion of a Unit which contributes to the structural support of another Unit shall be burdened with an easement of structural support for the benefit of that Unit.
 - (iv) Utilities. Easements through the Units and general common elements for all facilities for the furnishing of utility services within the Units and to the general common elements, which facilities shall include but not limited to conduits, ducts, plumbing and wiring; provided, however, that a Unit shall be substantially in accordance with the plans and specifications of the Units.
- (g) The right to use and enjoy, in common with the other Unit Owners and subject to the rules and regulations contained herein or made by the Board of Directors, the land, parking areas, the driveways and all other common areas.

SECTION XII

RESTRICTIVE COVENANTS

- (a) Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for the Developer of Building to maintain during the period of construction, sale or leasing of building and Units, upon such portion of the premises as Developer may choose, such facilities as in the sole opinion of Developer may be reasonably required, convenient or incidental to the construction, sale or leasing of Units, including, but without limitation, a business office, storage area, signs, model Units, sales office and construction facilities.
- (b) No animals, livestock or poultry of any kind shall be raised, bred or kept in or around a Unit.
- (c) No advertising signs (except those approved in writing by the Board of Directors), billboards, unsightly objects or nuisances shall be erected, placed or permitted to remain on a Unit, the Development, land or buildings and then only attached to the Unit in locations, size and color approved in writing by the Board of Directors, nor shall a Unit be used in any way or for any purposes which may endanger the health or unreasonably disturb the Unit Owner or any occupant thereof.
- (d) All equipment and garbage cans serving a Unit shall be kept entirely within the Unit. All rubbish, trash or garbage shall be regularly removed from the Unit, shall not be allowed to accumulate therein, and shall be placed in containers provided by the Association. Nothing shall be stored in places outside of a Unit without prior written approval of the Board of Directors.

- (e) No planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon premises, except such as are installed in accordance with the initial construction of the building located thereon or as approved by the Board of Directors. The Unit owners of Units are hereby prohibited and restricted from using any land or air space outside the exterior Unit boundaries and limited common areas, except in accordance with rules established by the Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Unit Owners of Units and is necessary for the protection of Unit Owners.
- (f) Any action necessary or appropriate to the proper maintenance and upkeep of the general common elements shall be taken by the Board of Directors.
- (g) The Board of Directors or its duly designated representatives shall maintain, manage and landscape all parking areas (including, if deemed desirable by the Board of Directors, reserving parking places for individual Units), undedicated streets, and all grounds, roofs, dormers, general common elements and exteriors of all buildings located upon the above described properties (excluding the panes of glass in the windows and the exterior and interior of all exit doors belonging to a Unit as set forth above and excluding washing windows of individual Units unless the Board of Directors shall undertake to so do) and shall be responsible for the rubbish and garbage removal of all common areas within the described property. It is expressly agreed and understood that each individual Unit Owner shall bear the expense of maintaining and repairing the sewer line from the Unit to the point where the sewer line enters the Development collector system.
- (h) No exterior additions or alterations to any Unit or building, nor construction of, changes in or work on, any part of the exterior of any Unit or building, exterior, roofs, and other structures shall be commenced, erected or maintained until the plans and specifications showing the nature, kind, shape, height, materials, location and approximate cost shall have been submitted to, and approved in writing as to conformity and harmony of external design and location with existing structures on the property by the Board of Directors. Such approval may be withheld in the sole discretion of the Board or a committee appointed by the Board. The members of such committee shall not be entitled to compensation for services performed pursuant to this paragraph.
- (i) The Board of Directors shall have the right and power to provide for the construction of additional and other common facilities, from time to time, as in its discretion appears to be in the best interest of the Development. Any such construction, improvements or addition shall be authorized by an affirmative vote of two thirds (2/3) of the total votes cast by Unit Owners at a duly called meeting at which a quorum is present.
- (j) In the event a general common element, Unit or improvement of the Development is damaged or destroyed through the negligent or culpable act of a Unit owner or any of the Unit Owner's agents or employees, such Unit Owner does hereby irrevocably authorize the Board of Directors to repair damaged element, building or improvement, and the Board of Directors shall so repair damaged general common element, building or improvement. The Unit Owner shall then repay the Board of Directors in the amount actually expended for repairs less any insurance proceeds received. Each Unit Owner further agrees that these

charges for repairs, if not paid within ten (10) days after completion of the work, shall become a lien upon the interest of such Unit Owner in and to the Unit and shall continue to be such lien until fully paid, which lien shall be enforceable as provided in the Master Deed.

- (k) No exterior door of a Unit, or the type or style of hardware, lock or glass thereon may be changed, removed or altered without the approval of the Board of Directors, nor may the color or type of paint on any exterior door, or the exterior appearance thereof, be changed or altered without the approval of the Board of Directors.
- (l) The Unit Owner shall maintain and keep in repair at the Unit Owner's expense the interior of his or her own Unit, including without limitation the fixtures thereof, the heating and air conditioning equipment and all improvements made to the Unit by the Unit Owner, whether contained inside or outside Unit. All fixtures and equipment installed within a Unit, commencing at a point where the sewer and utility lines, pipes, wires, conduits or systems (which for brevity are hereafter referred to as "utilities") enter the Unit, shall be maintained and kept in repair by the Unit Owner thereof.
- (m) A Unit Owner shall do no act or any work that will impair the structural soundness or integrity of the buildings or impair any easement or hereditament.
- (n) It is strictly prohibited to store or park a house trailer, camper, pleasure or fishing boat, motor home, trailer, junk or inoperable vehicle on or about any of Units or any general common elements, unless authorized by the Board of Directors.
- (o) No Unit may be subdivided into two or more additional Units. Two or more adjoining Units may be combined to form a single living area; provided that the combination or incorporation of two or more Units shall not reduce (i) the prorate share obligations of each of the combined Units to pay the expenses of Administration, maintenance, repair and other expenses of the Association, (ii) the number of votes eligible to be cast with respect to any matter coming before Unit Owners for a vote, or (iii) the percentage of ownership of the common elements attributable to the resulting Unit and the same will be the total of the percentage of the combined Units.
- (p) The installation and maintenance of radio, television, or any kind of antennae and similar communications devices are prohibited, unless the same are hidden from public view and are inside the unit.
- (q) No noxious or offensive trade or activity shall be conducted in any Unit, nor shall anything be done thereon that may be or become an annoyance or nuisance to other Unit owners of the Development, nor shall any activity be permitted thereon which violates any statute or ordinance of any governmental authority.
- (r) No business or trade activity shall be conducted or carried on in the general common elements. There shall be no sales, displays of wares, goods or products and there shall be no signs other than identification of the total Development permitted in the general common elements, except signs approved by the Developer or Board of Directors.
- (s) The substantive form for any leases of Units in Bluegrass Commons Condominiums must be approved by the Board of Directors. The Board of Directors shall approve or disapprove the lease form within 30-days of written submission of the form to the Secretary of the

Board of Directors or the form shall be deemed approved. This provision is intended to provide for the uniform administration and governance of the regime. Leases shall provide that the tenant will not violate any terms of this Master Deed or the Bylaws of the Association.

- (t) Invalidity of any one or more of the covenants and restrictions or any other provisions herein or hereafter contained, by judgment or Court order, shall in no way affect any other covenants and restrictions herein or hereafter contained which shall remain in full force and effect.
- (u) Each Unit shall comply with the provisions and requirements of this Master Deed, including the administrative Bylaws attached hereto, the decisions and resolutions of the Board of Directors and with reasonable rules and regulations adopted from time to time by the Board of Directors for the common comfort, safety, convenience and protection of the Unit Owners in their use and enjoyment of their Units and of the general common elements as adopted for the orderly administration of the Development and of the building, and with all amendments thereof. Without in any manner intending to limit the generality of the foregoing, the Board of Directors shall have the right, but not the obligation to promulgate rules and regulations regarding the use of the general common elements by Unit Owners and their guests, invitees, servants and lessees employees and customers.
- (v) Except as applicable to protect and enforce certain rights, privileges and benefits reserved to the Developer to perform the course of construction of the Development in as provided in this Master Deed, the Association shall maintain full control of all of the general common elements including the use, prohibition of use and manner in which the same shall be maintained, landscaped or otherwise employed.

SECTION XIII

PROVISIONS FOR PROTECTION OF MORTGAGES

- (a) As the maintenance fund is essential to the repair, replacement, upkeep, operation and administration of the building and general common elements and, accordingly, is essential to the safety, value and enjoyment of each individual Unit, any Unit's pro rata share of the maintenance assessments, which is unpaid, shall become a first lien on such Unit except for any prior recorded mortgage or deed of trust.
- (b) No mortgagee and no beneficiary or trustee under a deed of trust shall become personally liable for, or obligated for, an unpaid maintenance fund assessment; the Board of Directors however, may enforce the lien of the unpaid assessment against the encumbered Unit, notwithstanding that the mortgagee is not personally liable therefore.
- (c) In the event the monthly assessment of a Unit Owner becomes delinquent for as much as sixty (60) days, the Board of Directors shall give written notice of such delinquency to the holder of any recorded mortgage on Unit.
- (d) All mortgagees, beneficiaries and trustees under deeds of trust on a part or all of the Development shall be entitled to written notification from the Board of Directors in the event of any default in the performance of obligations imposed by this deed on the Unit Owner of a Unit or Units covered by a mortgage or deed of trust, provided default is not cured within sixty (60) days.

- (e) Any holder of a mortgage or deed of trust which comes into the possession of a Unit or Units pursuant to the remedies provided in mortgage or deed of trust, or foreclosure of the mortgage or deed of trust, or deed (or assignment) in lieu of foreclosure, shall be exempt from any restriction on the rental of the mortgaged Unit.
- (f) Any holder of a mortgage or deed of trust which comes into possession of a Unit or Units pursuant to the remedies provided in the mortgage or deed of trust, by foreclosure, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrued prior to the time such holder comes into possession of the Unit or Units.
- (g) Unless all holders of first mortgage liens on individual Units have given their prior written approval, or unless otherwise provided herein, the Board of Directors shall not be entitled to: (i) change the pro rata interest or obligations of a Unit for the purposes of levying assignments and charges and determining shares of the common elements and proceeds of the Development without the consent of the holder of the first mortgage lien on that Unit; (ii) partition or subdivide any Unit without the consent of the holder of the first mortgage lien on that Unit; nor (iii) by act or omission seek to abandon the status of the Development except as provided by statute in case of substantial loss of the Units and general common elements of the Development.
- (h) All taxes, assessments and charges which may become liens prior to the recording of any mortgage or deed of trust shall relate only to the individual Unit, and not the Development as a whole.
- (i) The failure to give any notice provided herein shall not prejudice any right of the Board of Directors.

SECTION XIV

ASSESSMENTS MAINTENANCE FUND

- (a) Each calendar year, on or about October 1st, the Board of Directors shall estimate the total amount necessary to pay the cost of wages, materials, insurance, services and supplies, repairs, replacements and administration, which will be required during the ensuing fiscal year through September 30th of the following calendar year for the rendering of all services, the payment of all general common expenses, which includes the utilities serving the common areas, and the making of any and all necessary repairs, replacements, alterations and for the proper administration of the Development, together with a reasonable amount considered by the Board of Directors to be necessary for a reserve for contingencies and replacements (all of which are hereinafter referred to as, and included with the terms, maintenance fund, maintenance fund requirements, maintenance fund assessment or assessment), and shall on or before November 1st of each year notify each Unit owner in writing, as to the amount of such estimate of maintenance fund requirements with reasonable itemization thereof. Maintenance fund requirements shall be assessed to the Unit Owners according to each Unit's pro rata share of expenses and assessments. On or before the first of each and every month of each year, the Unit Owner of each Unit shall be obligated to pay the Board of Directors, or as it may direct 1/12 of the assessment (herein referred to as the monthly installment) made pursuant to this paragraph. If, for any reason,

the Board of Directors fails, within the times afore, to make the estimate of the maintenance fund requirements or to give notice thereof to each Unit Owner, then monthly installments of maintenance fund assessments for the ensuing year shall continue to be in the same monthly amount as the preceding year, until the Board of Directors actually makes the new estimate of maintenance fund requirements and gives notice thereof to the Unit Owners. On or before the date of the annual meeting of each calendar year the Board of Directors shall supply all Unit Owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with an itemization of the amounts collected pursuant to the estimates provided and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner's percentage ownership in the current year's estimate, until exhausted, and any net shortage shall be added according to each Unit owner's percentage of ownership in the general common elements to the installment next due.

- (b) The Board of Directors shall establish and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual estimate, which may become necessary during the year, shall be charged first against such reserve. If maintenance fund requirements prove inadequate for any reason, including nonpayment of any Unit Owner's assessment, the Board of Directors may, at any time, levy a further assessment, which shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the general common elements. The Board of Directors shall serve notice of such further maintenance fund assessment on all Unit Owners by a statement in writing giving the amount and reasons therefore and the amount of the monthly installments, and such further assessment shall become effective with the monthly maintenance fund payment which is due no more than ten (10) days after the delivery or mailing of such notice of further assessment. All Unit Owners shall be obligated to pay the adjusted amount.
- (c) The initial assessment shall not exceed the monthly amount of \$95.00 per Unit (to be paid for the balance of the fiscal year) and shall commence on the date of closing the conveyance of each of the Units. Prorations shall be collected at closing for partial months. Prorations for hazard insurance shall also be made at closing.
- (d) The failure or delay of the Board of Directors to prepare or serve the annual or adjusted estimate on the Unit Owner shall not constitute a waiver of release in any amount of such Unit Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined and, in the absence of any annual estimate or adjusted estimate, the Unit Owner shall continue to pay the monthly maintenance fund assessment, as above provided, at the then existing monthly rate established for the previous period until the monthly maintenance payment which is next due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.
- (e) No assessments shall attach to, and the Developer shall not owe any maintenance fund assessments on, any Unit that the Developer is constructing, rehabilitating or restoring until

a certificate of occupancy is issued with respect to the Unit or the Unit is inhabited, whichever event first occurs. The Developer shall be entitled to credit against any maintenance fund assessments which the Developer owes for any sums which the Developer advanced in payment of maintenance fund costs or expenses occurring from and after the date of recording of the Master Deed.

SECTION XV

LIEN OF UNPAID ASSESSMENTS

Each Unit's pro rata share of each Unit's expenses and of the maintenance fund assessments, shall be payable in monthly installments as above provided, shall be due and payable on the first of the month for which assessed, and shall become delinquent if not paid by the twentieth (20th) of the month in which payable. If not paid by the twentieth (20th) of the month, the assessment shall earn interest from the date of delinquency at the maximum legal interest rate. Any delinquent installment of a Unit's maintenance fund assessment shall immediately and without further demand or notice, become lien upon the Unit, and all incidents and appurtenances thereto. Such lien shall have priority over any subsequently recorded mortgage or deed of trust as provided in this Master Deed. Any mortgage shall be entitled, however, to the provisions for the protection of mortgages as set out in this Master Deed, and such delinquent installment shall not take precedence over an earlier recorded mortgage or deed of trust. The President of the Association with the resolution of the Board of Directors shall have the authority to sign and cause a notice of lien to be recorded in the County Court Clerk's office, Fayette County, Kentucky, at the expense of the delinquent Unit Owner or Unit Owners.

In any and all events, the lien of any delinquent and unpaid assessment against a Unit shall take precedence over the lien of any judgment or attachment and shall take precedence over the title of any trustee in bankruptcy. The lien of any delinquent and unpaid assessment which remains unpaid for a period of ten (10) years from the date of the assessment shall be declared extinguished and paid in full.

The Unit Owner or Unit Owners, jointly and severally, shall be personally liable to the Association for all unpaid assessments during the period of time of the Unit Owner or Unit Owners ownership. The Board of Directors of the Association, without condition precedent of notice or demand, written or oral, shall have a cause of action to collect any unpaid assessments against the Unit Owner or Unit Owners, together with reasonable attorney fees and other costs incurred in connection with such collection activity. The cause of action for unpaid assessments shall survive the transfer of title to the involved Unit.

SECTION XVI

REMEDIES FOR DEFAULT AND FOR BREACH OF COVENANTS, RESTRICTIONS AND REGULATIONS

Each Unit Owner, tenant, occupant or invitee shall be governed by and shall comply with the provisions of this Master Deed, the Bylaws, and the decisions, resolutions and regulations from time to time adopted by the Board of Directors; and failure to comply with the same or any default shall entitle the Board of Directors or other Unit Owners to the following relief:

- (a) Any such default shall be grounds for an action by the Board of Directors on behalf of the other Unit Owners or by the Unit Owners to recover any sums or amounts due, to recover damages or to secure injunctive relief, foreclosures of any lien, or any combination thereof.

- (b) Any Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by the Unit Owner's act, neglect or carelessness or by that of the Unit Owner's invitees, employees, agents or lessees, but only to the extent that such expenses are not met by the proceeds of insurance carried by the Board of Directors, or by insurance carried by any injured or damaged Unit Owner (where insurance is carried, it is agreed and intended that such insurance shall provide, if possible, that no insurer shall have any right of subrogation against, or any right of action against, the Developer, any Unit Owner, any Unit Owner's lessees, invitees, employees or agents).
- (c) Costs and Attorney's Fees. In any proceeding arising because of an alleged default by a Unit Owner, the Board of Directors of Co-Owners bringing such suit shall be entitled to recover from the Unit Owner the costs of the proceeding and reasonable attorney's fees.
- (d) No Waiver of Rights. The failure of the Board of Directors or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Master Deed and Bylaws shall not constitute a waiver of the right of the Board of Directors or Unit Owner to enforce such right, provisions, covenant or condition in the future.
- (e) Power of Sale. By the acceptance and recordation of a deed to a Unit or Units, for the purpose of enforcing the lien of any unpaid and delinquent assessment, or any other amount due, by a Unit owner to the Association or Board of Directors hereunder, each Unit Owner grants unto the Board of Directors irrevocably the power to sell his or her Unit at public outcry to the highest and best bidder for cash as provided herein. The Board of Directors is also authorized to elect to enforce any lien by action in Court. Any such sale shall be made after first advertising the sale of the property by not less than three (3) weekly publications in some newspaper published in Fayette County Kentucky, giving notice of the time and place of such sale, and by written notice of the time and place of such sale delivered to the unit Owner's Unit. Any sale of a Unit to enforce a lien for delinquent and unpaid assessments shall be free from equity of redemption, homestead and all other exemptions including without limitation any statutory right of redemption, all of which are expressly waived by the Unit Owners; and any such sale and the lien enforced thereby shall take precedence over and have priority over any and all other liens of every nature against the Unit, except real estate and ad valorem taxes assessed against the Unit and any superior recorded deed of trust. The proceeds of any such sale, whether under the power of sale or by foreclosure suit, shall be applied first to the payment of the expenses of protecting the property and the expenses of litigation, attorney's fees and sales commission; and second, to the payment of real estate and ad valorem taxes assessed against the Unit and any superior recorded deeds of trust (unless such sale is made subordinate to such deeds of trust); and third, to the payment of all amounts due the Board of Directors and the other Unit Owners under the terms of the Master Deed and the Bylaws, and the balance, if any, to the Unit Owner whose Unit is sold and the Unit Owner's assigns. Upon any default in the payment of any assessment, the Board of Directors shall have the right to all rents, issues and profits from the unit in default and shall have the right to secure the payment through notice to those in possession of the Unit or by entry into possession in the same manner as a

mortgagee entering into possession following default, or to have a Court appointed receiver take possession of the Unit.

- (f) All rights, remedies and privileges granted to the Board of Directors or a Unit Owner, pursuant to any terms, provisions, covenants or conditions of the Master Deed and Bylaws shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election or remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such party by the Master Deed and Bylaws or at law or in equity.

SECTION XVII

TERMINATION OF HORIZONTAL PROPERTY REGIME

- (a) Merger of Filial Estates with Principal Property. All of the Unit owners of Units constituted into a horizontal property regime may by deed waive this regime and regroup or merge the filial estates with the principal property, provided that the filial estates are unencumbered or if encumbered, that the creditors in whose behalf the encumbrances are recorded accept as security the undivided portions of the property owned by the debtors.
- (b) Horizontal Property Regime Following Merger. The merger provided for in the preceding section shall in no way bar the subsequent constitution of the property into another horizontal property regime whenever so desired and upon observance of the provisions of the Bylaws.
- (c) Alternatively, the horizontal property regime herein created may be terminated at any time and in such manner and upon such terms as are mutually agreeable by the unanimous agreement, consent and act, expressed in writing and duly acknowledged and recorded, of all Unit Owners, and of all mortgagees who have lines upon Units.

SECTION XVIII

COVENANTS RUNNING WITH THE LAND

All provisions, conditions, restrictions, options, benefits and burdens contained in this Master Deed and the Bylaws attached hereto and forming a part hereof shall be construed as covenants running with the land and with every part thereof and every interest therein, including, but not limited to, every Unit and the incidents and appurtenances of every Unit; and every Unit Owner and every claimant of any interest of any nature at any time in the land, or any Unit, either present or future, and every Unit Owner's heirs, executors, administrators, successors and assigns shall be bound by and entitled to the benefits of the same.

SECTION XIX

GENERAL PROVISIONS AND SEVERABILITY

- (a) The Developer, as owner of all of the Units at the time of execution of the Master Deed, shall name the original Board of Directors, who shall serve for a term as provided in Article III, Section C, of the Bylaws of the Association and until their successors are appointed or elected; the original members of the Board of Directors need not be Unit Owners notwithstanding any provision of the Bylaws.
- (b) Captions used in the Master Deed and Bylaws are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text of the Master Deed and Bylaws.

- (c) If any provision of this Master Deed or the Bylaws, or both, or any section, sentence, clause, phrase or word or the application thereof in any circumstances be judicially held in conflict with the laws of the State of Kentucky and unenforceable for the purpose thereof, including the Bylaws, then (i) such provision shall be deemed severable from the retainer of this Master Deed or the Bylaws; (ii) the applicable laws shall be deemed controlling; and (iii) the validity of the remainder of this Master Deed and the application of any provision, section, sentence, clause, phrase or word in other circumstances shall survive and not be affected by such conflict.
- (d) The contents of this Master Deed may be amended by the Developer as hereinafter provided; or alternatively by recording an amendment bearing the signature of the Unit owners of record of at least two thirds (2/3) of the total votes of the Unit Owners and the Developer. Nothing contained herein shall require the holder of a security interest in a Unit to join in an amendment unless the amendment changes the size of Unit or the pro rata interest of Unit in general common elements, but no such joinder shall be required if the amendment is specifically provided for herein.
- (e) The number of votes eligible for any Member to be cast on any matter for consideration by the Association shall equal one vote per Unit without regard to the number of co-owners or legal or equitable interest holders to the contrary. Notwithstanding the foregoing provision to the contrary, the Developer reserves and shall be entitled to cast on any vote of the membership of the Association a weighed vote equal to three (3) times the number of Units owned by the Developer at the time of the vote. After the expiration of five (5) years from the date of the conveyance of the first Unit from Developer to the purchaser thereof, the Developer shall only be entitled to cast one vote for each Unit owned by the Developer. To the extent necessary at law to affect the weighted vote and voting by the Developer in this part, each Unit Owner claiming right, title or interest in the regime by or through the Developer with the conveyance of such right, title or interest, conveys and vests in the Developer that Unit Owner's proxy empowering and authorizing the Developer to vote, at the sole discretion of the Developer without fiduciary duty or other accountability to the Unit Owner, the Unit Owner's vote at any meeting of the Association called for any purpose whatsoever. The proxy shall not be revocable by the Unit Owner until such time as the Developer shall have sold and conveyed seventy five percent (75%) of the total number of Units incorporated into the Development or until five (5) years from the date of recording the conveyance for sale of the first Unit to a purchaser which ever shall first occur.
- (f) The percentage of undivided interest in the general common elements shall not be separated from the Unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.
- (g) The Developer reserves the right and privilege to amend this Master Deed and the Bylaws from time to time in any manner Developer shall deem necessary and appropriate in the absolute discretion of Developer for the purpose of, but without limitation to, the completion of construction of the Development and the marketing and sale of the Units

until the earlier event (1) that the Developer shall have sold and conveyed seventy-five percent (75%) of the total number of Units in the Development or (2) of the lapse of five (5) years from the date of recording the conveyance for sale of the first Unit to a purchaser thereof. Any amendment by the Developer shall be effective on recording same in the Fayette County Court Clerk's office and delivering a copy thereof by certified mail to the Board of Directors of the Association.

- (h) Any paragraph or section headings or title used or included in this Master Deed are used or included solely for the purposes of convenience; and the same shall not be deemed or construed as substantive or to lend meaning to any provisions of this Master Deed or the Bylaws.
- (i) As used in this Master Deed and any exhibit to this Master Deed the singular number shall include the plural number, vice versa, and the use of any gender shall include all genders and the neuter.

SECTION XX

PERFORMANCE OF CONSTRUCTION

- (a) The Developer intends to construct the Development in a single phase. The declarations and rights reserved by the Developer to construct the number of Units set forth in Section IV of this Master Deed to the contrary notwithstanding, Developer shall have the right and privilege at the sole discretion of Developer to amend, alter or change in any manner whatsoever the plans and specifications for the Development as Developer deems necessary and appropriate, including, but without limitation to, the total number of Units and the size, appliances, equipment and furnishings of the Units, and design, content and composition of interior(s) and exterior(s) of the building(s), or to abstain from or cease the construction of any building(s) or other improvements upon the land without condition precedent of the consent of the Unit Owners or any person(s) whomsoever and free of the right of any person(s) to expectation thereof.
- (b) For the purposes of construction of the Development, the Developer reserves full right, title, license and interest, for the Developer, the Developer's contractors, sub-contractors, materialmen, laborers, employees, members, agents and licensees, to conduct and carry out any and all work and activity necessary and appropriate, in the sole and absolute discretion of the Developer, the Developer's contractors, subcontractors, materialmen, laborers, employees, members, agents and licensees, to construct the improvements within the Development without accountability or responsibility to any person whomsoever or entity whatsoever by reason of any such work or activity; and all persons claiming a real or personal property right or interest in the horizontal property regime pursuant to the provisions of this Master Deed by or through the Developer covenant and undertake to save and hold the Developer harmless from any claim for damages or other legal or equitable relief by reason of any such work or activity not resulting from wanton or willful negligence or misconduct by the Developer or the Developer's contractors, subcontractors, materialmen, laborers, employees, members, agents and licensees.
- (c) The Developer's right to unimpeded and timely performance of construction of the Development shall be deemed to be of the essence. Accordingly, the Developer is vested

and empowered with full right and privilege to institute and undertake, either in the name of Developer or the Association, or both, without the prior consent of any person as a condition precedent to instituting or undertaking such action, any and all legal or equitable action that the Developer deems, in the sole discretion of the Developer, necessary and appropriate in any manner whatsoever to redress or remedy in act or omission to act by any persons, including, but without limitation to, Unit owners or other third persons impeding or obstructing, in the sole opinion of Developer, performance of construction of the Development.

- (d) Developer shall have the sole and absolute right, power, authority and privilege, without condition precedent of the joinder or consent of any Unit Owner(s) or other person(s) whomsoever, to encumber, mortgage, pledge, hypothecate, grant security interests, offer as collateral, all or any part the Land and building(s) and improvements to be constructed thereon, or thereon situated at any time, for the any purpose(s) deemed necessary or appropriate at the absolute discretion of Developer, including, but without limitation to, to borrowing money to finance the costs and expenses of construction of the building(s) and other improvements planned for the Development.

17th IN WITNESS WHEREOF, the Developer has caused this declaration to be executed this day of August 2008.

THE TENNESSEE BOYS, LLC, a Tennessee limited liability company

Robert H. Latimer
By: ROBERT H. LATIMER
Chief Manager

STATE OF KY

COUNTY OF Fayette

I, the undersigned NOTARY PUBLIC, do hereby certify that the foregoing Master Deed was subscribed, sworn to, and acknowledged before me by **Robert H. Latimer as Chief Manager for The Tennessee Boys LLC, a Tennessee Limited Liability Company**, on this the 14 day of August, 2008.

[Signature]
NOTARY PUBLIC
My Commission expires: 5-9-10

Prepared by:
[Signature]

Holbrook and Holbrode Law Office
Jeremy S Holbrook
1084 E New Circle Rd
Lexington, KY 40505
859) 255-1211

EXHIBIT "A"
LEGAL DECSRIPTION

Parcel I:

All that tract or parcel of land with improvements thereon on the northwest side of Virginia Avenue (formerly known as Lottie Street), fronting on said avenue 60 feet and running back of equal width 185 feet, beginning at a point on Virginia Avenue about 521 1/2 feet from the Nicholasville Pike; at the corner of the property now owned and occupied by Mrs. Lula Friley; running thence at right angles to Virginia Avenue in a northerly direction 185 feet; thence at right angles in an easterly direction 60 feet; thence at right angles toward Virginia Avenue 185 feet; thence in a westerly direction with Virginia Avenue 60 feet to the point of beginning.

Parcel II:

Tract 1: All of that house and lot located on the north side of Virginia Avenue between Limestone and Winnie Streets, in Fayette County, Kentucky and bounded and described as follows: Beginning at the corner of R. Moore; thence along the line of Virginia Avenue (formerly Lottie Street) 50 feet to Ambrose's corner; thence at right angles and along said Ambrose's line 185 feet to Edgar's line; thence at right angles and along Edgar's line 50 feet to R. Moore's line; thence along R. Moore's line 185 feet to Virginia Avenue (formerly Lottie Street), the place of beginning, said property being known as 141 Virginia Avenue.

Tract 2: All of that parcel of land situated and located on the Northwestern side of Virginia Avenue in the City of Lexington, County of Fayette and State of Kentucky and more particularly described as follows, to-wit:

Beginning at a point on said street on the Northwestern side thereof about 42 1/2 feet from the Nicholasville Pike; thence in a Westerly direction along said street 40 feet to the line of the property conveyed to John W. Nutter and Fannie B. Nutter by Alonzo D. Moore and Dovie Moore, by deed dated March 16, 1933, recorded in Deed Book 277, Page 248, in the Fayette County Clerk's Office; running thence with said line at right angles to Virginia Avenue in a Northerly direction 185 feet; thence at right angles in an Easterly direction 40 feet; thence at right angles towards Virginia Avenue 185 feet to the place of beginning.

Parcel III:

All that tract or parcel of land lying on the North side Lottie Street (now Virginia Avenue) in the City of Lexington, Fayette County, Kentucky, and being more particularly described as follows, to-wit:

Beginning on said street at a point about 521 feet from the intersection of Lottie Street (now Virginia Avenue) with the Nicholasville Turnpike (now South Limestone Street); thence Westerly along said Lottie Street (now Virginia Avenue) 50 feet; thence extending back from said street in a Northerly direction and at right angles and between parallel lines 185 feet; Being Lot No. E of the Ambrose Subdivision to the City of Lexington, Kentucky and being known and designated as No. 155 Virginia Avenue.

Parcel IV:

All that lot of land with improvements thereon situated on the Northeast side Lottie Street, now Virginia Avenue, bounded as follows, to-wit:

Beginning on at a point on Lottie Street, now Virginia Avenue, 187 feet from the corner of Lottie Street and Winnie Street; thence along Lottie Street, now Virginia Avenue, in an Easterly direction 50 feet, more or less, to Bosworth's line; thence at right angles to Lottie Street, now Virginia Avenue, in a Northeasterly direction 185 feet, more or less, to the line of Ambrose; thence in a Northwesternly direction and parallel with Lottie Street, now Virginia Avenue, 50 feet, more or less, to Stevens' line; thence with Stevens' line in a Southwesterly direction 185 feet, more or less, to the beginning, known as 165 Virginia Avenue.

Parcel V:

All that tract or parcel of land in the City of Lexington, County of Fayette, and State of Kentucky, described as follows, to-wit: Situated at No. 161 North side of Virginia Avenue in said City, County and State, and such real estate is more particularly described as follows:

Beginning at Woggard's and Sutton's corner; thence along Lottie Street (now Virginia Avenue) in a westerly direction fifty (50) feet; thence at right angles one hundred eighty-five (185) feet to Ambrose's line; thence at right angles along said line fifty (50) feet to Woggard and Sutton's line; thence at right angles one hundred eighty-five (185) feet to the beginning.

Parcel VI:

All that certain lot or parcel of land situated in Lexington, Fayette County, Kentucky, and fronting 40 feet on the North side of Virginia Avenue (formerly Lottie Street) and running back of equal width 187 feet, and bounded on the East by the land of Downing (formerly James Frazier) and on the West by the land of Mrs. Harrigan (formerly Elizabeth Stevens); the improvements thereon being known as 169 Virginia Avenue, Lexington, Kentucky.

Being the same property conveyed to The Tennessee Boys, LLC a Tennessee Limited Liability Company, by a Deed dated October 1, 2007, of record in Deed Book 2760, Page 646, in the Office of the Fayette County Court Clerk.

EXHIBIT "B"
PLANS and PERCENTAGES pgs 1-4

1 PLAN: FIRST FLOOR
SCALE: 1" = 20'

VIRGINIA AVENUE
(DEDICATED PUBLIC RIGHT-OF-WAY)



A1a

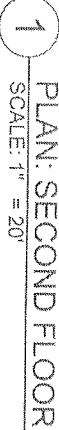
165/155/145
FIRST FLOOR

BLUEGRASS COMMONS
165 / 155 / 145
VIRGINIA AVENUE

DATE ISSUED: 08/08/08
REVISIONS:

POHL ROSA POHL
architecture + design

165/155/145
P.O. BOX 250
600 DUPONT AVE. STE 200
LEXINGTON, KY 40502



BlueGrass Commons Schedule of Units				% Interest
Unit #	Address	Description	Unit Sq Ft	Total Sq Ft Comm. Elem
101	145 Virginia Avenue	1 Bedroom	560	1.61%
102	145 Virginia Avenue	1 Bedroom	560	1.61%
103	145 Virginia Avenue	1 Bedroom	560	1.61%
104	145 Virginia Avenue	1 Bedroom	546	1.57%
105	145 Virginia Avenue	1 Bedroom	559	1.61%
106	145 Virginia Avenue	Efficiency	456	1.31%
107	145 Virginia Avenue	Efficiency	453	1.31%
108	145 Virginia Avenue	1 Bedroom	559	1.61%
109	145 Virginia Avenue	1 Bedroom	559	1.61%
110	145 Virginia Avenue	1 Bedroom	560	1.61%
111	145 Virginia Avenue	1 Bedroom	560	1.61%
112	145 Virginia Avenue	1 Bedroom	560	1.61%
113	145 Virginia Avenue	Efficiency	426	1.23%
114	145 Virginia Avenue	Efficiency	426	1.23%
201	145 Virginia Avenue	1 Bedroom	560	1.61%
202	145 Virginia Avenue	1 Bedroom	560	1.61%
203	145 Virginia Avenue	1 Bedroom	559	1.61%
204	145 Virginia Avenue	1 Bedroom	546	1.57%
205	145 Virginia Avenue	1 Bedroom	559	1.61%
206	145 Virginia Avenue	1 Bedroom	575	1.69%
207	145 Virginia Avenue	1 Bedroom	566	1.68%
208	145 Virginia Avenue	1 Bedroom	559	1.61%
209	145 Virginia Avenue	1 Bedroom	559	1.61%
210	145 Virginia Avenue	1 Bedroom	559	1.61%
211	145 Virginia Avenue	1 Bedroom	559	1.61%
212	145 Virginia Avenue	1 Bedroom	560	1.61%
213	145 Virginia Avenue	Efficiency	426	1.23%
214	145 Virginia Avenue	Efficiency	426	1.23%
145 Virginia Avenue				42.98%
101	155 Virginia Avenue	1 Bedroom	596	1.72%
102	155 Virginia Avenue	1 Bedroom	596	1.72%
103	155 Virginia Avenue	1 Bedroom	627	1.81%
104	155 Virginia Avenue	1 Bedroom	618	1.78%
201	155 Virginia Avenue	1 Bedroom	596	1.72%
202	155 Virginia Avenue	1 Bedroom	596	1.72%
203	155 Virginia Avenue	1 Bedroom	627	1.81%
204	155 Virginia Avenue	1 Bedroom	618	1.78%
155 Virginia Avenue				14.04%
101	165 Virginia Avenue	1 Bedroom	557	1.60%
102	165 Virginia Avenue	1 Bedroom	560	1.61%
103	165 Virginia Avenue	1 Bedroom	560	1.61%
104	165 Virginia Avenue	1 Bedroom	557	1.60%
105	165 Virginia Avenue	1 Bedroom	559	1.61%
106	165 Virginia Avenue	Efficiency	456	1.31%
107	165 Virginia Avenue	Efficiency	459	1.32%
108	165 Virginia Avenue	1 Bedroom	551	1.59%
109	165 Virginia Avenue	1 Bedroom	551	1.59%
110	165 Virginia Avenue	1 Bedroom	563	1.62%
111	165 Virginia Avenue	1 Bedroom	557	1.60%
112	165 Virginia Avenue	1 Bedroom	560	1.61%
113	165 Virginia Avenue	Efficiency	426	1.23%
114	165 Virginia Avenue	Efficiency	426	1.23%
201	165 Virginia Avenue	1 Bedroom	557	1.60%
202	165 Virginia Avenue	1 Bedroom	560	1.61%
203	165 Virginia Avenue	1 Bedroom	560	1.61%
204	165 Virginia Avenue	1 Bedroom	557	1.60%
205	165 Virginia Avenue	1 Bedroom	559	1.61%
206	165 Virginia Avenue	1 Bedroom	582	1.68%
207	165 Virginia Avenue	1 Bedroom	565	1.63%
208	165 Virginia Avenue	1 Bedroom	551	1.59%
209	165 Virginia Avenue	1 Bedroom	551	1.59%
210	165 Virginia Avenue	1 Bedroom	563	1.62%
211	165 Virginia Avenue	1 Bedroom	557	1.60%
212	165 Virginia Avenue	1 Bedroom	560	1.61%
213	165 Virginia Avenue	Efficiency	426	1.23%
214	165 Virginia Avenue	Efficiency	426	1.23%
165 Virginia Avenue				42.98%
				100.00%
				14916
				34708

1

UNIT SCHEDULE

DEFINITION OF COMMON ELEMENTS:

INDIVIDUALLY HELD ELEMENTS INCLUDE ALL UNIT AMENITIES INSIDE THE PERIMETER WALLS OF THE UNIT AND OUT TO AND INCLUDING THE ENTRY DOOR, DOOR TRIM AND THRESHOLD AND WINDOW SASHES, FRAMES, AND GLASS.

COMMON ELEMENTS INCLUDE GENERAL SITE IMPROVEMENTS, INCLUDING DRIVES, WALKS, PARKING FACILITIES, GENERALLY HELD UTILITIES, AND EXTERIOR LIGHTING AFFIXED TO A BUILDING. OTHER COMMON ELEMENTS INCLUDE BALCONIES, COURTYARDS, INTERIOR AND EXTERIOR STAIRS, ATTICS, BASEMENTS, AND LIGHTING AND OTHER FIXTURES OR AMENITIES ASSOCIATED WITH THESE SPACES.

THESE COMMON ELEMENTS ARE HELD IN PART BY ALL UNITS, AND THE PERCENT OF THE HOLDING IS CALCULATED AS A PERCENTAGE OF THE INDIVIDUAL UNIT AREA AS A PROPORTION OF THE TOTAL AREA OF ALL UNITS IN THE COMPLEX (INCLUDING ALL THREE ADDRESSES), THE ATTACHED UNIT SCHEDULE DELINEATES PERCENT OF COMMON ELEMENTS HELD BY EACH UNIT.

LIMITED COMMON ELEMENTS:

THERE ARE NO LIMITED COMMON ELEMENTS IN THIS DEVELOPMENT.

BLUEGRASS COMMONS, FORMERLY KNOWN AS GARDEN COURT, COMPRISING BUILDINGS AND PROPERTY AS SHOWN HEREIN, INCLUDING 145, 165 AND 165 VIRGINIA AVENUE, LEXINGTON, KY.

AREA OF LAND: 62,898.49 SQ.FT./1.440 ACRES

AREA OF 145: 14,918

AREA OF 165: 4,874

AREA OF 165: 14,916

ZONE: R3

BOOK: 2760, PAGE: 646

A3c

UNIT SCHEDULE &
COMMON ELEMENT NOTES

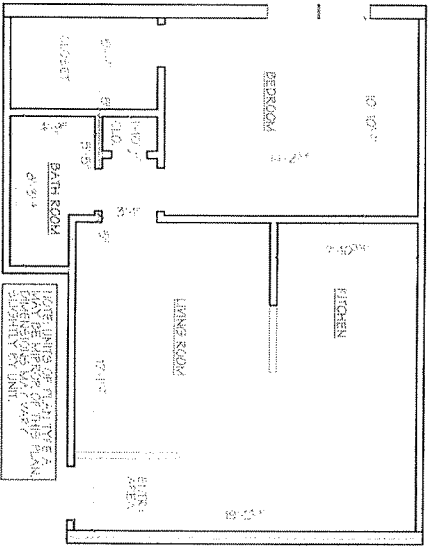
BLUEGRASS COMMONS
165 / 155 / 145
VIRGINIA AVENUE

DATE ISSUED: 08/08/08
REVISION:

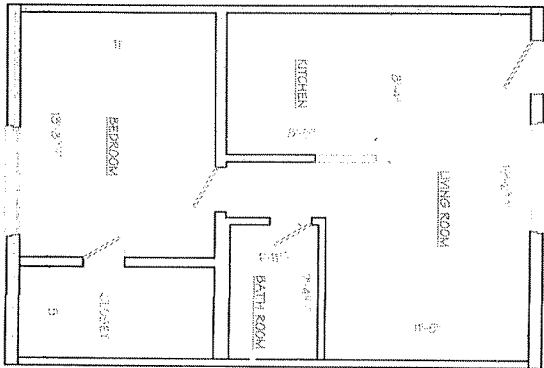
POHL ROSA POHL
architecteure + design

16591 165-1700
FAX: 258-1058
820 EUREKA AVE. STE. 200
LEXINGTON, KY 40502

CAUTION: THE PRESENTATION OF THE PRESENTING OFFICE IS NOT A GUARANTEE OF THE ACCURACY OF THE INFORMATION CONTAINED HEREIN. THE INFORMATION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TO BE USED FOR ANY OTHER PURPOSE.

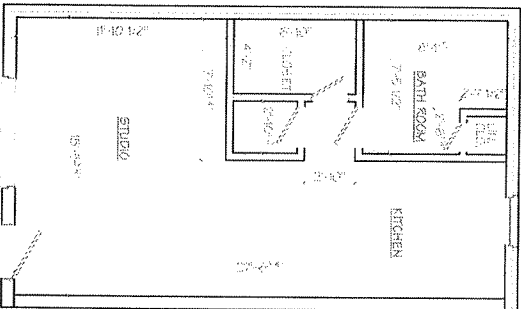


1 PLAN: TYPE A
SCALE: 3/16" = 1'-0"



2 PLAN: TYPE B
SCALE: 3/16" = 1'-0"

NOTE: LINES OF PLAN TYPE B MAY BE DIFFERENT FROM THE PLAN SHOWN IN THIS UNIT.



3 PLAN: TYPE C
SCALE: 3/16" = 1'-0"

NOTE: LINES OF PLAN TYPE C MAY BE DIFFERENT FROM THE PLAN SHOWN IN THIS UNIT.

A4d

TYPE A, B & C PLANS

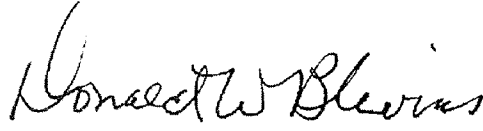
BLUEGRASS COMMONS
165 / 155 / 145
VIRGINIA AVENUE

DATE ISSUED: 08/08/08
REVISIONS:

POHL ROSA POHL
architecture + design

1850 168-1710
FAX 265-1858
620 BROAD AVE. STE. 200
LEXINGTON, KY 40502

I, Donald W Blevins, County Court Clerk
of Fayette County, Kentucky, hereby
certify that the foregoing instrument
has been duly recorded in my office.



By: DOUG BRADLEY , dc

200808140187

August 14, 2008 15:03:18 PM

Fees	\$79.00	Tax	\$.00
------	---------	-----	--------

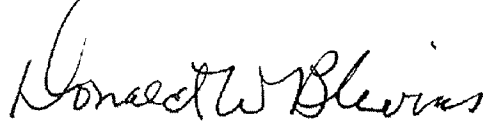
Total Paid	\$79.00
------------	---------

THIS IS THE LAST PAGE OF THE DOCUMENT

26 Pages

105 - 130

I, Donald W Blevins, County Court Clerk
of Fayette County, Kentucky, hereby
certify that the foregoing instrument
has been duly recorded in my office.



By: DOUG BRADLEY , dc

200808140186

August 14, 2008 15:03:06 PM

Fees	\$79.00	Tax	\$.00
------	---------	-----	--------

Total Paid	\$79.00
------------	---------

THIS IS THE LAST PAGE OF THE DOCUMENT

26 Pages

547 - 572