

ASSIGNMENT OF RIGHTS OF DECLARANT AND DEVELOPER

THIS ASSIGNMENT OF RIGHTS OF DECLARANT AND DEVELOPER (the "Assignment") is made this 28th day of June, 2013 **EGT PROPERTIES, INC.**, a Kentucky corporation, with its mailing address at P.O. Box 309, Frankfort, Kentucky 40602 (the "Assignor") and **GEORGETOWN REAL ESTATE PARTNERS II, LLC**, a Kentucky limited liability company, with its mailing address 3609 Walden Drive, Lexington, Kentucky 40517 ("Assignee").

WITNESSETH:

WHEREAS, Assignor has conveyed to Assignee that certain real property located in Scott County, Kentucky more particularly described on Exhibit "A" attached hereto and incorporated herein for reference (the "Property"); and

WHEREAS, the Property is subject to those Deed Restrictive Covenants for the Village at Lane's Run Homeowner's Association recorded in Book MC26, Page 416 as amended by that Amendment to the Deed Restrictive Covenants for the Village at Lane's Run Homeowner's Association recorded in Book MC34, Page 582, and that Second Amendment to the Deed Restrictive Covenants for the Village at Lane's Run Homeowner's Association recorded in Book MC 36, Page 506, all recordings in the Scott County Clerk's office (the "Deed of Restrictions");

WHEREAS, Assignor is the holder of the Declarant's and Developer's Rights with respect to the Property and desires to transfer and assign to Assignee all of such rights;

WHEREAS, Assignor is the "Declarant" and "Developer" under the Deed of Restrictions; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's rights and privileges under the Deed of Restrictions;

NOW THEREFORE, in consideration of the purchase of the Property by Assignee from Assignor, the benefits to be derived by the parties therefrom and herefrom and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. The recitals above are incorporated herein and made a part hereof.
2. Assignor does hereby GRANT, BARGAIN, CONVEY and ASSIGN to Assignee any and all of Assignor's rights, privileges and exemptions under the Deed of Restrictions (the "Developer's Rights") and represents to Assignee that Assignor has not previously assigned any of such rights and privileges.

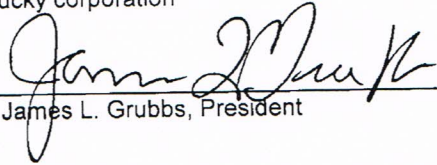
006451.146249/4130635.1

3. Assignee does hereby accept such assignment of Developer's Rights and assumes and agrees to perform, observe and discharge all of the duties and obligations of Assignor in any way related thereto.

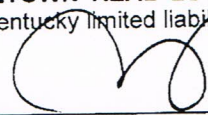
4. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, assigns and representatives.

IN WITNESS WHEREOF, the parties have executed this Assignment.

EGT PROPERTIES, INC.
a Kentucky corporation

By: 
Its: James L. Grubbs, President

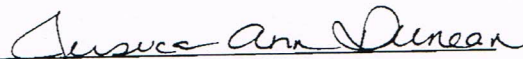
GEORGETOWN REAL ESTATE PARTNERS II, LLC, a Kentucky limited liability company

By: 
D. Ray Ball, Jr., Member

COMMONWEALTH OF KENTUCKY
COUNTY OF ~~WOODFORD~~ *Scott*

The foregoing was subscribed, sworn to and acknowledged before me on June 21st, 2013 by James L. Grubbs as President for EGT Properties, Inc., a Kentucky corporation, for and on behalf of said corporation.

My Commission expires: 11-20-2014


Notary Public
Notary Number: 431036

COMMONWEALTH OF KENTUCKY
COUNTY OF FAYETTE

The foregoing instrument was subscribed, sworn to and acknowledged before me on ~~June~~ July 25 2013, by D. Ray Ball, Jr. as Member of Georgetown Real Estate Partners II, LLC, a Kentucky limited liability company, for and on behalf of the company.


NOTARY PUBLIC
My Commission Expires: 1-25-2014

This instrument was prepared by:

STOLL KEENON ODGEN PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507
(859) 231-3000

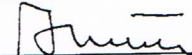
By: 
George D. Smith

Exhibit "A"

Being all of Tract 1, containing 19.848 acres, as shown on the Non Building Transfer Plat of Village at Lanes Run of record in Plat Cabinet 9, Slide 173 (erroneously shown in the source deed as Slide 138), in the Office of the Scott County Clerk. (Included in said Tract 1 are Lots 1-14, and Lots 120-146, Phase 1, Section 1, of Village at Lanes Run as shown on the Final Subdivision Plat of record in Plat Cabinet 9, Slide 138, in the Office of the Scott County Clerk.)

PROVIDED, HOWEVER, there is EXCEPTED from Tract 1 and not conveyed hereby Lots 13, 14, 136, 137 and 138, Phase 1, Section 1, of the Village at Lanes Run as shown on the Final Subdivision Plat of record in Plat Cabinet 9, Slide 138, in the office of the Scott County Clerk.

BEING the same property conveyed to EGT Properties, Inc., a Kentucky corporation, by Deed dated August 27, 2013, of record in Deed Book 346, Page 548 in the Scott County Clerk's office.

DOCUMENT NO: 300903
RECORDED: August 07, 2013 03:36:00 PM
TOTAL FEES: \$16.00
COUNTY CLERK: REBECCA M JOHNSON
DEPUTY CLERK: TESSA
COUNTY: SCOTT COUNTY
BOOK: MC37 PAGES: 350 - 353

**AMENDMENT TO THE DEED RESTRICTIVE COVENANTS FOR THE VILLAGE AT
LANE'S RUN HOMEOWNER'S ASSOCIATION**

THIS AMENDMENT TO THE DEED RESTRICTIVE COVENANTS FOR THE VILLAGE AT LANE'S RUN HOMEOWNER'S ASSOCIATION (hereinafter referred to as the "Amendment") is made effective this 22nd day of November, 2011, by Lane's Run Development Company, LLC, a Kentucky limited liability corporation, with an address of 310 West Short Street, Lexington, Kentucky 40507 (hereinafter referred to as "Declarant");

WITNESSETH:

WHEREAS, Lane's Run Development Company, LLC, recorded a Deed of Restrictive Covenants for the Village at Lane's Run Homeowner's Association (hereinafter referred to as the "Restrictions") which Restrictions are of record at Miscellaneous Book 26, Page 416, in the office of the Scott County Clerk; and

WHEREAS, in the Restrictions, Declarant purported to subject to the restrictive covenants that certain real property described in that Deed of record in Deed Book 283, Page 596, in the office of the Scott County Clerk; and

WHEREAS, Declarant incorrectly referenced the deed at Deed Book 283, Page 596 as being the property conveyed to Declarant; however, Declarant was not the record owner of all of the property conveyed in Deed Book 283, Page 596, in the office of the Scott County Clerk, and such deed was in fact the source deed for Declarant's predecessor in title and such deed covered more than the property owned by Declarant; and

WHEREAS, Declarant desires to correct and amend the description of the property subject to the Restrictions;

NOW, THEREFORE, Declarant hereby amends the Restrictions to remove the reference to the property described in Deed Book 283, Page 596, as being subject to the Restrictions, and instead the Property conveyed to Declarant in the deed recorded in Deed Book 306, Page 164 in the office of the Scott County Clerk shall be the only property subject to the Restrictions.

This Amendment affects no other provision of the Restrictions, which shall continue in full force and effect as of the date executed by the Declarant.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Amendment effective the date written above.

Return to Preparer

LANE'S RUN DEVELOPMENT
COMPANY, LLC
a Kentucky limited liability company

By: [Signature]
Its: _____

STATE OF KENTUCKY

COUNTY OF FAYETTE

The foregoing instrument was subscribed, sworn to, and acknowledged before me this 23 day of November, 2011, by Robert Sims as Member of Lane's Run Development Company,, LLC, a Kentucky limited liability company.

My Commission Expires: 8/4/14

[Signature]
Notary Public

425305
Notary Number

This instrument prepared by:

[Signature]

Dan M. Rose
STOLL KEENON OGDEN PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507
(859) 231-3000

001169.141731/4006780.1

DOCUMENT NO: 217893
RECORDED: November 23, 2011 12:58:18 PM
TOTAL FEE: \$13.00
COUNTY CLERK: REBECCA M JOHNSON
DEPUTY CLERK: KAREN
COUNTY: SCOTT COUNTY
BOOK: MC34 PAGES: 582 - 583

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Deed Restrictive Covenants for the Village
at Lane's Run Homeowner's Association

THAT WHEREAS Lane's Run Development Company, LLC , a Kentucky Limited Liability Corporation, hereinafter collectively called the "DECLARANT", is the "Developer" of that certain property described and recorded in Deed Book 283, Pages 596-600 in Scott County Kentucky and made a part hereof, all of which said property is sometimes collectively referred to herein as the "Community" or the "Property"; and

WHEREAS, the DECLARANT intends to subdivide the Property in 3 or more separate phases and that each phase/section, upon final plat approval by the Georgetown Scott County Planning Commission, shall be duly recorded in the corresponding subdivision Platt Book for subdivision recordings in Scott County Kentucky.

WHEREAS, the DECLARANT desires to convey the Property subject, to certain protective covenants, conditions, restrictions, rights and charges hereinafter set forth; and

WHEREAS, DECLARANT desires to create and carry out a uniform plan for the improvement, development and sale of the Property for the benefit of the present and future owners of the Property, DECLARANT hereby adopts and establishes the following declaration of reservations, restrictions, covenants, conditions and easements to apply uniformly to the use, improvement, occupancy and conveyance of all the Property;

NOW, THEREFORE, it is hereby declared that all of the Property shall be held, sold, conveyed and occupied subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and shall be binding on all parties having any right, title, or interest in or to the Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

Article I
Definitions

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified:

1.01 Architectural Committee. "Architectural Committee" shall mean the committee created pursuant to these restrictions to review and approve plans for the construction of improvements upon the Property.

1.02 Architectural Committee Rules. "Architectural Committee Rules" (hereinafter sometimes "Committee Rules") shall mean the rules adopted by the Architectural Committee.

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1.13 Lot. "Lot" or lots shall mean any unit or units of land within the Property.

1.14 Maintenance Fund. "Maintenance Fund" shall mean the fund which may be created

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1.03 Articles. "Articles" shall mean the Articles of Organization of the Village at Lane's Run Homeowners Association, Inc. which will be filed in the office of the Secretary of State of the State of Kentucky, and as from time to time amended.

1.04 Assessments. "Assessments" shall mean assessments of the Association and includes both regular and special assessments.

1.05 Association. "Association" shall mean and refer to The Village at Lane's Run Owners Association, LLC.

1.06 Association Property. "Association Property" shall mean all real or personal property now or hereafter owned by or leased to the Association.

1.07 Beneficiary. "Beneficiary" shall mean a mortgagee under a mortgage or a beneficiary under a deed of trust.

1.08 Board. "Board" shall mean the Board of Directors of the Association or Managing Members of the Organization.

1.09 Bylaws. "Bylaws" shall mean the Bylaws of the Association which may be adopted by the Board, and as from time to time amended.

1.10 DECLARANT. "DECLARANT" shall mean Lane's Run Development Company, LLC, a Kentucky Limited Liability corporation, its duly authorized representatives or their respective successors or assigns; provided that any assignment of the rights of Lane's Run Development Company, LLC, as DECLARANT must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of DECLARANT shall not be sufficient to constitute an assignment of the rights of DECLARANT hereunder.

1.11 Declaration. "Declaration" shall mean this instrument and as it may be amended from time to time.

1.12 Improvement. "Improvement" shall mean every structure and all appurtenances thereto of every type and kind, including but not limited to buildings, outbuildings, storage sheds, patios, tennis courts, swimming pools, garages, storage buildings, fences, screening walls, retaining walls, stairs, decks, landscaping, poles, signs, exterior air conditioning, water softener fixtures or equipment, and poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

1.13 Lot. "Lot" or lots shall mean any unit or units of land within the Property.

1.14 Maintenance Fund. "Maintenance Fund" shall mean the fund which may be created

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by the Association for the receipts and disbursements of the Association.

1.15 Manager. "Manager" shall mean the person(s), firm or corporation, if any, employed by the Association pursuant to this Declaration and delegated the duties, powers or functions of the Association.

1.16 Member. "Member" shall mean any person who is a member of the Association.

1.17 Mortgage. "Mortgage" shall mean any mortgage or deed of trust covering any portion of the Property given to secure the payment of a debt.

1.18 Owner(s). "Owner(s)" shall mean the person or entity including DECLARANT, or "Owner" having assigned their rights to develop, manage and may include any person(s) or entity holding a fee simple interest in any portion of the Property, but shall not include the Beneficiary of a Mortgage.

1.19 Person. "Person" shall mean an individual or entity having the legal right to hold title or real property.

1.20 Plans and Specification. "Plans and Specification" shall mean any and all documents designed to guide or control the construction or erection of any improvement, including but not limited to those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, landscaping and fencing plans, elevation drawings, floor plans, specifications on all building products and construction techniques, samples of exterior colors, plans for utility services, and all other documentation or information relevant to such improvement.

1.21 Record, Recorded, and Recordation. "Record, Recorded, and Recordation" shall mean, with respect to any document, the recordation of such document in the office of the County Clerk of Scott County, Kentucky.

1.22 Recreation and Open Space. "Recreation and Open Space" shall mean any portion of the Property hereafter designated by DECLARANT as common area thereafter to be held for recreational purposes for the benefit of all Owners; provided, however, that access to any Recreation and Open Space may be limited to persons currently paying assessments, fees and overcharges, or otherwise conditioned or restricted, or made available to non-owners. The Recreation and Open Space may be owned by DECLARANT, the Association, an unincorporated association in which all Owners shall be entitled to membership or by the Owners in individual interests. DECLARANT has no obligation to designate any Recreation and Open Space but may, at its sole discretion, elect to do so in the future. As of the date hereof, DECLARANT has not designated any Recreation and Open Space.

1.23 Subdivision. "Subdivision" shall mean the finally platted and recorded subdivision for Phase 1, Phase 2, Phase 3 and any subsequent Phases of the Property.

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1.24 Supplemental Declaration. "Supplemental Declaration" shall mean any declaration of covenants, conditions, and restrictions which may be hereafter recorded by DECLARANT, subject to all of the terms and restrictions of this Declaration and not in conflict herewith.

1.25 Village at Lane's Run. "Village at Lane's Run" shall mean this Declaration together with any and all Supplemental Declarations, as the same may be amended from time to time, together with the Association Rules, Committee Rules, and the Articles and Bylaws of the Association from time to time in effect.

1.26 Association Rules. "Association Rules" shall mean the rules adopted by the Board pursuant to Section 1.08 hereof, as they may be amended from time to time.

Article II
Development and Property Rights

2.01 Development by DECLARANT. DECLARANT may divide or subdivide the Property into several areas, develop some of the Property and, at DECLARANT's option, dedicate some of the Property as Recreation and Open Space. As the Property is developed or dedicated, DECLARANT may record one or more Supplemental Declarations and designate the use, classification, and such additional covenants, conditions and restrictions as DECLARANT may deem appropriate for a particular area. Any Supplemental Declaration may provide its own procedure for the amendment of any provisions thereof. All lands, improvements and uses in such area so developed shall be subject to both this Declaration and the supplemental Declaration, if any, for that area.

2.02 Title to Common Areas. DECLARANT may retain the legal title to the Common Areas so long as it owns at least one lot in The Village at Lane's Run. Before conveyance of the last lot owned by DECLARANT, DECLARANT shall convey the Common Areas to the Association subject to taxes for the year of conveyance and subject to restrictions, conditions, limitations, reservations, and easements of record: and also subject to the same nonexclusive common utility easements, drainage easements and ingress and egress easements for the benefit of additional lands owned and to be owned by the DECLARANT.

2.03 Owner's Easement of Enjoyment. Every owner of a Lot shall have a nonexclusive right and easement of enjoyment and ingress and egress in and to the Common Areas which shall be appurtenant to and shall pass with the title to such Lot subject to the following:

A) All provisions of this Declaration, any Plat of all or any part of the property, and the Articles and Bylaws of the Association.

B) Rules and Regulations governing the use and enjoyment of Common Areas adopted by the Association.

1) Easements for installation and maintenance of utilities and Drainage or Water Retention facilities. No Structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may interfere with or change the flow of drainage in the easement. All utilities shall be placed underground

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with minimal above ground. The easement and all improvements shall be maintained by the owner of such lot. No dwelling unit or other structure shall be erected on any easement, reserved right-of-way and access shall be granted to public utilities, governmental subsidiaries and quasi-public utility corporations, their employees and contractors and shall be open to the DECLARANT and their assigns in order to perform necessary functions for which the purpose of the easement has been granted and reserved.

Article III

General Restrictions

All of the Property shall be owned, held, encumbered, leased, used, occupied and enjoyed subject to the following limitations and restrictions:

3.01 Antennas. No exterior radio, television antenna or aerial shall be erected or maintained without the prior written approval of the Architectural Committee. Satellite dishes shall be screened from view of the street and neighboring residences.

3.02 Insurance. Nothing shall be done or kept on the Property which would increase the rate of insurance or cause the cancellation of insurance on any Lot or the Association Property without the prior written approval of the Board. Each property owner shall maintain liability and replacement cost insurance on their individual property.

3.03 Subdividing. No Lot shall be further subdivided nor exceed any local or state codes and or zoning regulations. Any additions, modifications or structural changes must be submitted and receive the prior written approval of the Architectural Committee; provided, however, that when DECLARANT is the Owner thereof, DECLARANT may further divide and subdivide any Lot and convey an easement or other interest less than the whole, all without the approval of the Architectural Committee. Owners acknowledge and agree that as of the date of these Restrictions, the DECLARANT has received final subdivision approval for Phase 1, Phase 2 and Phase 3 or any subsequent phases of the Property.

3.04 Signs. No sign of any kind shall be displayed to the public view without the prior written approval of the Architectural Committee except for signs which are part of DECLARANT's overall marketing plan for the Property. For Sale signs shall be permitted on the property as long as they do not exceed 36 inches in height and 48 inches in length. For Sale signs must not be placed in the ROW, common areas, and parks or in the area between the curb and sidewalk. The Architectural Committee may permit signs of any type advertising a portion of the Property for sale or lease or it may set standards for the same. Political signs may be placed on the property not longer than 60 days and must be removed 5 days after the election date. No sign shall exceed thirty 24 inches in height by 18 inches in width. No signs shall be placed in the common areas, parks, entrances, rights of way or attached to any structures located in common areas without the prior written approval of the Board or Committee.

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3.05 Rubbish and Debris. No rubbish or debris of any kind shall be permitted to accumulate upon the Property and no odors shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property or to its occupants. Refuse, garbage and trash shall be kept at all times in covered containers and any such container shall be kept within an enclosed structure or appropriately screened from view. The burning of trash shall be prohibited unless prior written approval is obtained from the Board. Any of fire burning shall conform to the codes and regulations of all governing agencies. No appliances, furniture, construction materials, hazardous materials or other forms of debris shall be placed on the curb or in the front yard for a period exceeding 3 days prior to scheduled pickup service (does not include construction activities).

3.06 Noise. No exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be located, used or placed on any of the Property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its occupants. Security alarms bells, exterior lights, ringers or other sound devices must have a time limit and termination point not to exceed 3 minutes in duration.

3.07 Construction Activities. No Improvements shall hereafter be constructed upon any of the Property without the prior written approval of the Architectural Committee and without submitting appropriate plans, drawings, specifications and material list. Building permits from all governing agencies shall be obtained prior to the start of construction. Construction activities will be limited to the hours between 7:00 AM and 8:00 PM Mondays thru Saturday. No construction equipment or vehicles shall be parked on the street for a period exceeding 2 consecutive days.

3.08 Repair of Improvements. All improvements upon any of the property shall at all times be kept in good condition and repair and adequately or otherwise maintained by the Owner thereof. The opinion of the Architectural Committee as to condition and repair shall be final. Lot owners shall be responsible for repairs to curbs, roads, walks, utilities, trees, landscaping, entrances, signs, lighting, storm drains, culverts and any improvements located on common areas.

3.09 Alteration or Modifications of Alley Ways. Any construction, other than normal maintenance, which in any way alters an Alley Way shall be restricted nor shall any modifications, improvements or additions be made without the prior written approval of the Board. No poles, signs, fencing, lighting, athletic standards, or other structures or appurtenances shall be constructed in or on the Alley Ways without the prior approval of the Board.

3.10 Drainage. There shall be no interference with the established drainage patterns over any of the Property, except by DECLARANT, unless adequate provision is made for proper drainage and approved by the Board.

3.11 Hazardous Activities. No activities shall be conducted on the Property and no Improvements constructed on the Property which are or might be unsafe or hazardous to any

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person or property. Without limiting the generality of the foregoing, no firearms or fireworks shall be discharged upon the Property, no open fires shall be lighted or permitted in any common or recreation areas except in a approved, contained (while attended and in use for cooking purposes, within a safe and designated area), or such campfires or picnic fires in Recreation and Open Spaces designated for such use by DECLARANT, or by the Association as to Association property.

3.12 Temporary Structures. No tent, storage building (permanent or temporary), shed, or other temporary building, improvement or structure shall be placed upon the Property without the prior written approval of the Architectural Committee; provided, however, that temporary structures necessary for storage of tools and equipment, and for office space for architects, builders and foremen and temporary sanitation facilities during actual construction may be maintained with the proper approval of DECLARANT, such approval to include the nature, size, duration and location of such structure.

3.13 Parking. Lot owners shall have the right to use common area parking spaces for temporary parking or guest and visitor parking. No Common Areas or designated Guest Parking Areas shall be used as permanent parking for lot owners or for storing or parking commercial vehicles, boats, motor homes or vehicles. No equipment used in commercial business shall be parked in general or common area parking areas. No vehicle shall utilize more than the gross area assigned to a single parking space in the common areas.

3.14 Unsightly Articles; Vehicles. No article deemed to be unsightly by the Architectural Committee shall be permitted to remain on any Lot or in any Common Area, Alley Way or Public Street so as to be visible from adjoining property or public or private thoroughfares. Without limiting the generality of the foregoing, motor homes, trailers, trucks other than pickups, boats, tractors, trailers, construction equipment, campers, wagons, buses, motorcycles, scooters, garden maintenance equipment shall be kept at all times, except when in actual use, in an enclosed structure or screened from view and no repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in an enclosed garage or other structure. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap or refuse of trash shall be kept, store or allowed to accumulate on any portion of the Property except within an enclosed structure or appropriately screened from view. Liquid propane gas, oil and other exterior tanks shall be kept within an enclosed structure or permanently screened from view.

3.15 Animals. No kennel or other facility for raising or boarding dogs or other animals for commercial purposes shall be kept on any Lot. The keeping of ordinary household pets not to exceed 3 in number such as dogs and cats is allowed; however, no breeding, raising, or boarding of such pets for commercial purposes is permitted on such sites. No poultry or livestock may be kept on any Lot. All pets shall be kept on the Owner's Lot and shall not be allowed to roam loose. Pet owners shall be responsible for the removal of pet waste from Common Areas, sidewalks, alley ways, parks, green spaces and recreation areas. Owners of all pets will be

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responsible for limiting noise and disturbances created by the pet(s).

3.16 Motor Homes, Travel Trailers and Recreational Vehicles. No motor homes shall be permanently parked or placed in any Common Areas, Alley Ways, Public Streets, or on any Lot or parking area at any time, and no travel trailers, recreational or commercial vehicles shall be parked on or near any Lot so as to be visible from adjoining property or public or private thoroughfares for more than seventy-two (72) hours during any 30 day period. Travel trailers may not be substituted for or used as a residence or living quarter during construction of a residential unit without prior written approval of the Architectural Review Committee or DECLARANT.

3.17 Fences. No Fences shall be constructed on the front of the property without the prior written consent of the Board or Committee. Any fencing or dividing walls shall be constructed of wood, stone, masonry, iron or approved PVC materials. All fencing material, and the construction thereof must be approved in writing by the Committee or the DECLARANT. No chain link or metal fencing, including animal runs or shelters shall be constructed on the property without the prior written consent of the Architectural Committee. The Architectural Committee may, in its discretion, prohibit the construction of any proposed fence, or specify the materials of which any proposed fence must be constructed, or require that any proposed fence be screened by landscaping, vegetation or otherwise so as not to be visible from other portions of the Property. No fence, shrub or planting shall be permitted that obstructs sight lines of adjacent property owners, public streets or creates a hazard to property owners.

(A.) Exception: The DECLARANT, as a condition of meeting planning and zoning agreements, has agreed to erect a fence between the property lines known as the Bell property and the Lane's Run. The fence will be of materials requested and approved by the Bell property owners. The purpose and intent of the fences is to provide a safety barrier between the farm and the developed property.

Article IV Residential Restrictions

4.01 Residential Use. All Lots shall be improved and used solely for single family residential use inclusive of a garage. No lot shall be used for commercial business without prior approval of the Association. The developer's model home or a builder's model home is excluded. No improvement may be constructed on any lot which would unreasonably obstruct the view from other portions of the property, and the positioning of all improvements upon lots within the property is hereby expressly made subject to Architectural Committee Review and as regulated by all governmental agencies including planning/zoning, codes and state and local fire departments. The Architectural Committee may, but shall not be required to prevent or allow the construction of a proposed Improvement based upon the effect it will have upon the view from any particular lot. Rather, the Committee may consider the effect the improvement will have on the Community as a whole, it being expressly understood that neither the Architectural Committee nor the members thereof shall be liable to any owner in monetary damages or otherwise due to the construction of any improvement within the property or the creating thereby

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of an obstruction to the view from such owner's lot.

4.02 Building Height. No improvement greater than two stories or thirty feet (30') in height (excluding basement) may be constructed on any lot without the prior written approval of the Architectural Committee.

4.03 Building Materials, Dwelling Size. All single family dwellings shall be of recognized standard construction quality. Exterior construction shall be masonry, brick, stone, natural wood or hardi-plank type materials or other material specifically approved in writing by the Architectural Committee. All single family dwellings shall contain not less than Seventeen Hundred (1,700) square feet of enclosed living space, exclusive of porches (open or covered), decks, garages and carports; provided, however, that the DECLARANT or Architectural Committee may reduce this requirement for particular Lots at their discretion and based upon the unique building site, individual plot plan, set back lines and quality of construction and design of a proposed improvement and subject to any and all regulatory requirements. Any such request for a reduction in the minimum square footage requirement shall be in writing, shall state the specific reasons for the variance and shall have attached a complete set of architectural plans and construction drawings.

4.04 Garages. Each residence shall have an attached or detached garage for the off street parking of a minimum of two automobiles and each dwelling and structure shall have a driveway with a minimum width of nine (9') feet. The driveway shall be of an aggregate or concrete material. Garages may be attached or may include a portico or walkway attaching the garage to the residence. Materials shall match the primary residence in color, material, and architectural style. The garage roof shall match the primary residence. Utilities servicing the garage shall be underground. Carports on the front or side of a structure must be receive prior written approval of the Committee and meet the same architectural standards as a garage.

4.05 Contractor Approval. The DECLARANT shall have the right to approve the general or sub-contractor for any dwelling, addition or appurtenances to be constructed on the property. Contractors shall be licensed, insured and bonded as required by local governmental agencies or quasi-government agencies including but not limited to general liability and workman's compensation.

4.06 Set-back Requirements. No building shall be located or erected nearer to any Lot line bordering a street right of way than is indicated by the building line shown on the Plat. No building shall be located less than twenty-five feet (25') from the R/W except for building lots with rear alleys for which the set-back shall be not less than fifteen (15'). Side lot requirements are a total of fifteen feet (15') for both sides. Buildings located on lots with rear alleys shall not be located nearer than fifteen (15') feet from any rear Lot line. For purposes of these covenants, eaves, steps and open porches shall not be considered as part of the building; provided, however, that this shall not be construed to allow any such structure to encroach upon another Lot.

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4.07 Landscaping. A landscape plan shall be submitted for approval by the Architectural Committee or DECLARANT. Each lot owner shall be required to plant not less than two (2) trees in the front yard and each tree shall be not less than 2 ½" in diameter at the time of planting.

4.08 Awnings and Overhangs. The installation of front awnings or overhangs requires the prior approval of the Architectural Committee.

4.09 Mailboxes, Exterior Security and Décor Lighting. Mail boxes, exterior front yard lighting (security and décor), require the prior approval of the Architectural Committee.

4.10 Rentals. Nothing in this Declaration shall prevent the rental of any Lot and the Improvements thereon by the Owner thereof for residential purposes.

Article VI
Village at Lane's Run Owners Association

5.01 Organization. The Association shall be a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers prescribed by law or set forth in its Articles and Bylaws or in this Declaration. Neither the Articles nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

5.02 Control by DECLARANT. As member management is impractical until a substantial percentage of Owners have built homes and taken up residence, the Association will for a time operate under the control of the DECLARANT/DEVELOPER. At such time when not less than 75% of the lots have been sold and residences occupied, the CLARANT/DEVELOPER shall surrender management control to the Association.

5.03 Board of Directors. Upon surrender of authority by the DECLARANT, the Owners shall elect a Board of Directors of the Association. The Board of Directors shall manage the affairs of the Association.

5.04 Membership. Any Person or entity upon becoming an Owner shall automatically become a member of the Association. Membership shall be appurtenant to and shall run with the property interest which qualifies the Owner thereof for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged, or alienated except together with the title to the property interest.

5.05 Voting Rights. The right to cast votes, and the number of votes which may be cast, for election of members to the Board of Directors of the Association and on all other matters to be voted on by the Members shall be calculated as follows:

A) The Owner (including DECLARANT) of each Lot within the Community shall have one vote for each Lot so owned.

B) In Addition to the votes to which it is entitled by reason of Subparagraph (A) of this Section, for every one vote DECLARANT shall have _____ () votes until the votes described in Subparagraph (A) of this Section and which are owned by persons or entities other than

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DECLARANT total, in the aggregate, eighty percent (80%) of the total number of votes. Thereafter, DECLARANT shall have only the votes, if any, to which it is entitled under said Subparagraph (A) of this Section.

5.06 Duties of the Association. Subject to and in accordance with these restrictions, the Association acting through the Board shall have and perform each of the following duties:

A) Association Property.

1) Ownership and Control. To accept, own, operate and maintain all Recreation and Open Space which may be conveyed or leased to it, together with all improvements of whatever kind and for whatever purpose which may be located in said areas; and to accept, own, operate and maintain all other property, real and personal, conveyed or leased to the Association.

2) Repair and Maintenance. To maintain in good repair and condition all lands, improvements, and other Association Property owned by or leased to the Association.

3) Taxes. To pay all real and personal property taxes and other taxes and assessments levied upon or with respect to any property owned by or leased to the Association, to the extent that such taxes and assessments are not levied directly upon the members. The Association shall have all rights granted by law to contest the legality and the amount of such taxes and assessments.

B) Insurance. To obtain and maintain in effect policies of insurance which, in the Board, are reasonably necessary or appropriate to carry out the Association functions. The Association shall purchase a master casualty insurance policy affording fire and extended coverage insurance insuring the Common Area and Improvements thereon in an amount commensurate with the full replacement value of the Improvements. The Association shall purchase a master, comprehensive public liability insurance policy in such amounts as the Board of Directors shall deem appropriate from time to time.

C) Association Rules and Bylaws. To make, establish and promulgate, and in its discretion to amend or repeal and re-enact, such Association Rules and Association Bylaws, not in conflict with this Declaration, as it deems proper covering any and all aspects of its functions, including the use and occupancy of Association property. Without limiting the generality of the foregoing, such rules may set dues and fees and prescribe the regulations governing the operation of Association Property.

D) Financing. To execute Mortgages, both construction and permanent, for construction of facilities, including improvements on property owned by or leased to the Association, and to accept lands in Recreation, Watershed and Open Spaces whether or not improved, from DECLARANT subject to such Mortgages or by assuming such Mortgages. The debt secured by such mortgage or other security instrument may be retired from and secured by the revenues generated by dues, use fees, assessments of the members, or otherwise, or any combination thereof, as may be deemed appropriate by DECLARANT or the Association, as the case may be, but by DECLARANT or the Association, as the case may be, but subject to the limitations imposed by this Declaration.

E) Records. To keep books and records of the Association's affairs.

F) Other. To carry out and enforce all duties of the Association set forth in the Village at Lane's Run Restrictions.

5.07 Powers and Authorities of the Association. The Association shall have the powers of

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a Kentucky nonprofit corporation, subject only to such limitations upon the exercise of such power as are expressly set forth in this Declaration. It shall further have the power to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers granted to it by the laws of Kentucky or by this Declaration. Without in any way limiting the generality of the two preceding sentences, the Association and the Board, acting on behalf of the Association, shall have the power and authority at all times as follows:

A) Assessments. To levy assessments as provided in this agreement. An assessment is defined as that sum which must be levied in the manner and against the property set forth in said agreement in order to raise the total amount for which the levy in question is being made.

B) Right of Entry and Enforcement. To enter at any time in an emergency or in a non-emergency, after twenty-four (24) hours written notice, without being liable to any Owner, upon any Lots in the Community or onto any Recreation, Open Space or Common Area for the purpose of enforcing The Village at Lane's Run Restrictions or for the purpose of maintaining or repairing any area, Improvement or other facility to conform to The Village at Lane's Run Restrictions. The expense incurred by the Association in connection with the entry upon any Lots in the Community and the maintenance and repair work conducted thereon shall be a personal obligation of the Owner of the Lots entered upon, a lien may be placed upon the Lots entered upon and improvements thereon, and shall be enforced in the same manner and to the same extent as enforced in the same manner and to the same extent as provided herein for regular and special assessments. The Association shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Village at Lane's Run Restrictions. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce The Village at Lane's Run Restrictions; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suit against DECLARANT, its successors or assigns.

C) Conveyances. To grant and convey to any person or entity the real property and/or other interest therein, including fee title, leasehold estates, easements, rights-of-way, or Mortgages out of, in, on, over, or under any Association Property, for the purpose of constructing, erecting, operating or maintaining thereon, therein or hereunder:

- 1) Parks, parkways or other recreational facilities or structures;
- 2) Roads, streets, walks, driveways, parking lots, trails, and paths;
- 3) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;
- 4) Sewers, water systems, storm water drainage systems, sprinkler systems, and pipelines; and;
- 5) Any similar improvements or facilities.

Nothing above contained however, shall be construed to permit the use or occupancy of any improvement or other facility in a way which would violate applicable use and occupancy restrictions imposed thereon by other provisions of this Declaration.

D) Manager. To retain and pay for the services of a person or firm (the "Manager") to manage and operate the Association, including its property, to the extent deemed advisable by the Board.

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E) Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

F) Association Property Services. To pay for water, sewer, garbage removal, landscaping, gardening, and all other utilities, services and maintenance of the Association Property.

G) Other Areas. To maintain and repair easements, access easements, roads, roadways, parking lots, rights-of-way, parks, parkways, median strips, sidewalks, paths, trails, ponds, lakes, and other areas of the Community, as appropriate.

H) Recreational Facilities. To own, operate, maintain and repair any and all types of facilities for both active and passive recreation, including without limitation pools, club house, tennis courts, gazebo's, ponds, lakes or other improvements.

I) Other Services and Properties. To obtain and pay for any other property and services, and to pay any other taxes or assessments which the Association or the Board is required to secure or to pay for pursuant to applicable law or the terms of The Village at Lane's Run Restrictions.

J) Construction on Association Property. To construct new improvements or additions to Association Property, subject to the approval of the Board and Architectural Committee.

K) Contracts, Property Ownership. To enter into contracts with DECLARANT and with other persons on such terms and provisions as the Board shall determine, and to acquire and own and to dispose of all manner of real and personal property, whether by grant, lease, gift, or otherwise.

Article VI Association Property

6.01 Use. Each Owner, the members of his family who reside with him, and each lessee of a Lot who resides on the Lot and the members of his family who reside with him on the Lot shall be entitled to use the Association Property subject to:

A) The provisions of The Village at Lane's Run Restrictions, and each person who uses any property of the Association, in using the same, shall be deemed to have agreed to comply therewith;

B) The right of the Association to impose dues and use fees;

C) The right of the Association to suspend the rights to the use of any property of the Association by any Member or lessee and their respective families, guests and invitees for any period during which any assessment against the member's property remains past due and unpaid;

D) The right of the Association, upon demand, to require that a security deposit be made and kept with the Association to secure all sums, and to guarantee performance of all duties, due to owing or to become due and owing to the Association;

E) Such covenants, conditions, and restrictions as may have been imposed by the Association to prior owners on property of the Association.

6.02 Damages. Each Owner, Member and Lessee described above shall be liable to the Association for any damage to property of the Association which may be sustained by reason of the negligent or intentional misconduct of such person or of his family, guests or invitees. If the

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property, the ownership or leasing of which entities the Owner or lessee thereof to use Association property, is owned or leased jointly or in common, the liability of all such joint or common Owners or lessees shall be joint and several.

6.03 Damage and Destruction. In case of destruction of or damage to Association Property by fire or other casualty, the available insurance proceeds shall be paid to the Association, which shall contract to repair or rebuild the Association property so damaged. Should the insurance proceeds be insufficient to pay all of the costs of repairing or rebuilding the damage, the Association may levy a special assessment to make good any deficiency. If the Board determines not to rebuild any property so destroyed or damaged, or to build facilities substantially different from those which were destroyed or damaged, it shall call a special meeting of the Members to consider such decision. If the Members, by three-fourths (3/4) of the votes cast at such meeting, elect to ratify such decision, the Board shall act accordingly; but if the members do not by such percentage elect to ratify such decision, the Board shall proceed to repair or rebuild the damaged or destroyed facility with payment therefore to be made as set forth in this Section.

Article VII
Architectural Committee

7.01 Membership of Committee. The Architectural Committee shall consist of not more than three (3) voting members, ("Voting Members") and such additional nonvoting members serving in an advisory capacity ("Advisory Members") as the Board deems appropriate. The following persons are hereby designated as the initial Voting Member of the Committee: Rob Sims, Robert Sims and or their assigns.

7.02 Action by Committee. Items presented to the Board and Architectural Committee shall be decided by a majority vote of the Voting Members.

7.03 Advisory Members. The Voting Members may from time to time designate Advisory members with prior approval of the Association.

7.04 Term. Each member of the Boar and Architectural Committee shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein.

7.05 DECLARANT's Rights of Appointment. DECLARANT, its successors or assigns shall have the right to appoint and remove all members of the Committee. DECLARANT may delegate this right to the Board by written instrument. Thereafter, the Board shall have the right to appoint and remove all members of the Committee.

7.06 Adoption of Rules. The Board and Architectural Committee may adopt such procedural and substantive rules, not at conflict with this Declaration, as it may deem necessary or proper for the performance of its duties.

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7.07 Review of Proposed Construction and Modifications. Whenever in this Declaration or in any Supplemental Declaration the approval of the Board or Architectural Committee is required, it shall have the right to review plans and specifications for the improvement and landscaping plan or proposal in question and all other facts which, in its sole discretion, are relevant. Improvements include proposed modifications of existing structures. Presentation shall include but not be limited to: floor plans, elevations, landscaping plans, fencing, pools, gazebos, irrigation systems, drainage, exterior lighting, mail boxes and any other appurtenances. The DECLARANT shall be the conclusive interpreter of the design guidelines, and may, but shall not be obligated to, promulgate additional design standards and review procedures as it deems necessary.

Floor plans shall include decks, patios, stoops, retaining walls, trash enclosures, pools, HVAC equipment, screening, room layouts, and connections to driveways, garages, alleys and streets. The Plan shall be a minimum scale of $\frac{1}{4}'' = 1.0'$. Elevations include front and rear, showing building materials and finishes, and indicating the maximum height of the dwelling and garage. Landscape plans shall show the location of trees, shrubs, fencing, irrigations systems, lighting, existing vegetation, use of plant materials and size of landscaping to be installed.

Except as provided in Sections 9.06 and 9.07 below, prior to commencement of any construction of any Improvement on the Property or any portion thereof, the Plans and Specifications therefore shall be submitted to the Architectural Committee, and construction thereof may not commence unless and until the Architectural Committee has approved such Plans and Specifications in writing. The Architectural Committee shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration, and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with Plans and Specifications approved by the Architectural Committee.

The Architectural Committee shall review Plans and Specifications submitted for its review and such other information as it deems proper, including information it may require relating to the question whether any proposed Improvement upon a Lot would unreasonably obstruct the view from other portions of the Property. Until receipt by the Architectural Committee of any information or document deemed necessary by the Architectural Committee, it may postpone review of any Plans and Specifications submitted for approval.

No Improvement shall be allowed upon any Lot which would unreasonably obstruct the view from any other portion of the Property and no Improvement shall be allowed on any Lot which is of such size or architectural design or involves the use of such landscaping, color schemes, exterior finishes and materials and similar features as to be incompatible with residential development in the Community. The Architectural Committee shall have the authority to disapprove any proposed Improvement based upon the restrictions set forth in the preceding sentence and the decision of the Architectural Committee shall be final and binding so long as it is made in good faith. The Architectural Committee shall not be responsible for reviewing any proposed Improvement, nor shall its approval of any Plans or Specifications be deemed approval thereof from the standpoint of structural safety, engineering soundness, or conformance with

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building or other codes.

7.08 Actions of the Committee. The Architectural Committee may, by resolution, unanimously adopted in writing, designate one or two of its members or an agent acting on its behalf to take any action or perform any duties for and on behalf of the Architectural Committee. In the absence of such designations, the vote of a majority of all of the members of such designations, the vote of a majority of all the members of the Architectural Committee taken without a meeting, shall constitute an act of the Architectural Committee.

7.09 No Waiver of Future Approvals. The approval or consent of the Architectural Committee to any Plans and Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Architectural Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans and Specifications, or other matter whatever, subsequently or additionally submitted for approval or consent by the same or a different person.

7.10 Work in Progress. The Architectural Committee, at its option, may inspect all work in progress to insure compliance with approved Plans and Specifications.

7.11 No Liability of Committee Members. Neither the Architectural Committee, nor any member thereof, nor the Board nor any member thereof, shall be liable to the Association or to any Owner or to any other person for any loss, damage or injury arising out of their being in any way connected with the performance of the Architectural Committee's or the Board's respective duties under this Declaration unless due to the willful misconduct or bad faith of the Architectural Committee or its member or the Board or its member, as the case may be. Neither the Architectural Committee nor the members thereof shall be liable to any Owner due to the construction of any Improvement within the Property or the creation thereby of an obstruction to the view from such Owner's Lot of Lots.

7.12 Address. Plans and Specifications shall be submitted to the Architectural Committee in care of Rob Sims; The Village at Lane's Run Owners Association, Inc., 310 West Short Street, Lexington, KY 40507, or such other address as may be designated from time to time.

Article VIII Funds and Assessments

8.01 Assessments.

A) The Association may from time to time levy Assessments against each Lot in the Community whether or not improved. The level of Assessments shall be equal and uniform between all Lots. No Assessments hereunder shall be levied against DECLARANT or DECLARANT'S Lots.

B) Where the obligation to pay an Assessment first arises after the commencement of the year or other period for which the Assessment was levied, the Assessment shall be prorated as of the date when said obligation first arose in proportion to the amount of the Assessment year

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or other period remaining after said date.

C) Each unpaid Assessment together with such interest thereon and costs of collection thereof as hereinafter provided shall be the personal obligation of the Owner of the property against which the Assessment fell due, and shall become a vendor's lien against each such Lot and all improvements thereon. The Association may enforce payment of such Assessments in accordance with the provisions of this Article.

8.02 Maintenance Fund. The Board may establish a fund (the "Maintenance Fund") into which shall be deposited all monies paid to the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association must be used solely for purposes related to the areas and improvements owned by or leased to the Association, or subject to these Restrictions for maintenance or operation by the Association or otherwise for purposes authorized by this Declaration, as it may from time to time be amended.

8.03 Regular Annual Assessments. Prior to the beginning of each fiscal year, the Board shall estimate the expenses to be incurred by the Association during such year in performing its functions under the Village at Lane's Run Restrictions, including a reasonable provision for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided, and the level of Assessments set by the Board shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any individual Assessment, the Association may at any time, and from time to time, levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to the Association at the Beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole and absolute discretion.

8.04 Special Assessments. In addition to the regular annual Assessments provided for above, the Board may levy special Assessments whenever in the Board's opinion such special Assessments are necessary to enable the Board to carry out the mandatory functions of the Association under The Village at Lane's Run Restrictions. The amount of any special Assessments shall be at the sole discretion of the Board.

8.05 Special Charges. In addition to the regular and special Assessments, the Board may levy such special charges as it deems appropriate for the use by individual Members or guests of Members of any Association facilities. All special charges shall constitute a lien on the Lots assessed and such liens shall be enforced in the same manner and to the same extent as provided in this Article for regular and special Assessments. Charges may be assessed against the owner or the owner's contractor for any damages resulting from and during the construction of a single family residence.

8.06 Owner's personal Obligation for Payment of Assessments. The regular and special Assessments provided for herein shall be the personal and individual debt of the Owner of the property covered by such Assessments. No Owner may exempt himself from liability for such

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Assessments. In the event of default in the payment of any such Assessment, the Owner of the property shall be obligated to pay interest at the rate of eight (8%) per annum but not to exceed the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof, together with all costs and expenses of collection, including reasonable attorneys' fees.

8.07 Assessment Lien and Foreclosure. All sums assessed in the manner provided in this Article but unpaid, shall together with interest as provided in Section 8.06 hereof and the cost of collection, including attorney's fees as herein provided, thereupon become a continuing lien and charge on the property covered by such Assessment, which shall bind such property such property in the hands of the Owner, and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien shall be superior to all other liens and charges against the said property, except only for tax liens and all sums unpaid on a first mortgage lien or first deed of trust lien of record, securing in either instance sums borrowed for the improvement of the property in question. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board and such subordination may be signed by an officer of the Association. To evidence the aforesaid Assessment lien, the Association may prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the property covered by such lien and a description of the property. Such notice shall be signed one of the officers of the Association and shall be recorded in the office of the County Clerk of Scott County, Kentucky. Such lien for payment of Assessments shall attach with the priority above set forth from the date that such payment becomes delinquent and may be enforced by the foreclosure of the defaulting Owner's property by the Association in like manner as a mortgage on real property subsequent to the recording of a notice of Assessment lien as provided above, or the Association may institute suit against the Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien judicially. In any foreclosure proceeding, whether judicial or not judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorney's fees incurred. The Association shall have the power to bid on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request on any mortgagee holding a prior lien on any part of the Community, the Association shall report to said mortgagee any unpaid Assessments remaining unpaid for longer than thirty (30) days after the same are due.

8.08 Recreation and Open Space. Recreation, Common Areas, Open Space and any improvements thereon shall not be exempt from the payment of any assessments levied by the Association, regular or special.

Article IX
Miscellaneous

9.01 Term. This Declaration, including all of the covenants, conditions, and restrictions hereof, shall run until December 31, 2034, unless amended as herein provided. After December 31, 2034, this Declaration, including all such covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or

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extinguished by a written instrument executed by the Owners of at least three-fourths (3/4) of the Property then subject to this Declaration.

9.02 Amendment.

A) BY DECLARANT. This Declaration may be amended by the DECLARANT so long as DECLARANT holds a majority of the votes of the Association. No amendment by DECLARANT shall be effective until there has been recorded in the deed records of Scott County, Kentucky, an instrument executed and acknowledged by DECLARANT and setting forth the amendment, and an instrument executed and acknowledged by the President and Secretary of the board certifying that the DECLARANT had the requisite number of votes.

B) By Owners. In addition to the method in Section 9.02 (A) this Declaration may be amended by the recording in the Scott County deed records of an instrument executed and acknowledged by the President and Secretary of the Association, setting forth the amendment and certifying that such amendment has been approved by Owners entitled to cast at least eighty percent (80%) of the number of votes entitled to be cast pursuant to Section 5.03.

9.03 Utility Easements. The DECLARANT reserves the right to locate, construct, erect and maintain or cause to be located, constructed, erected and maintained in and on any areas conveyed to the Association or reserved as Recreation, Common Area, Watershed and Open Space, sewer and other pipe-lines, conduits, wires and any public utility function beneath or above the surface of the ground, with the right of access to the same at any time for the purposes of repair and maintenance.

9.04 Private Ways. The Owners acknowledge that the subdivision plat for The Village at Lane's Run, subdivision No. _____, a subdivision recorded in Book 9, Page 138, of the Plat Records of Scott County, Kentucky, purports to grant to the Owners of said Subdivision No. _____ the rights to certain "Private Ways" and "Alley Ways" as more particularly described in said subdivision plat. The purpose of this Section 9.04 is not to expand or amend any rights that may have been granted with respect to the "Private Ways" and "Alley Ways" but the Owners hereby agree that the Association, at its election, may spend funds of the Association in connection with the maintenance and improvement of said "Private Ways". However, it is agreed that the Association shall have no obligation to maintain or improve the "Private Ways" in any way. The Owners also acknowledge that the "Private Ways" and "Alley Ways" are not for the exclusive use of Owners of the Village at Lane's Run but other parties are also permitted to use said Private Ways and "Alley Ways".

9.05 Environmental. A Portion of the property covered by these restrictions may be located in an environmentally sensitive area and may be subject to numerous restrictions and limitations in addition to those set out in these covenants and restrictions. In this regard, owners of any lot or any part of the property hereby covenants and agree that they will abide by all covenants and restrictions as more particularly described herein and known as Declaration and Restrictions, dated _____, executed and recorded by Lane's Run Development Company, LLC and recorded in the Real Property Records of Scott County, Kentucky under _____, page _____, of the Real Property Records of Scott County, Kentucky.

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9.06 Notices. Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third (3) day (other than Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the person at the address given by such person to the Association for the purpose of service of notices, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing given by such person to the Association.

9.07 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Community and of promoting and effectuating the fundamental concepts of the Community set forth in the Recitals and Declaration of this Declaration. This Declaration shall be construed and governed under the laws of the State of Kentucky.

9.08 Exemption of DECLARANT. Notwithstanding anything in this Declaration to the contrary, neither DECLARANT nor any of DECLARANT's activities shall in any way be subject to the control of or under the jurisdiction of the Association or Architectural Committee. Without in any way limiting the generality of the preceding sentence, this Declaration shall not prevent or limit the right of DECLARANT to excavate and grade, to construct and alter drainage patterns and facilities, to construct any and all other types of improvements, sales and leasing offices and similar facilities, and to post signs incidental to construction, sales and leasing anywhere within the Property.

9.09 Assignment of DECLARANT. Notwithstanding anything in this Declaration to the contrary, DECLARANT may assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other person or entity and may permit the participation, in sole or in part, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

9.10 Enforcement and No waiver.

A) Right of Enforcement. Except as otherwise provided herein, any Owner at his own expense, DECLARANT, and/or the Board shall have the right to enforce all of the provisions of the Village at Lane's Run Restrictions. Such right of enforcement shall include both damages for, and injunctive relief against, the breach of any such provision.

B) No waiver. The failure to enforce any provision of the Village at Lane's Run Restrictions at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provision of said restrictions.

C) Liens. The Association shall have the right, when appropriate in its judgment, to claim or impose a lien upon any Lot or Improvement constructed thereon in order to enforce any right or effect compliance with this Declaration.

9.11 Construction.

A) Restrictions Severable. The provisions of The Village at Lane's Run Restrictions

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shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof.

B) Singular Includes Plural. Unless required by the context, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

C) Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise effect that which is set forth in any of the paragraphs, sections or articles hereof.

By: Steve Snowden

Date: 9.20.2006

ACKNOWLEDGEMENT

STATE OF KENTUCKY

COUNTY OF Fayette

Before me, a Notary Public in and for said County and State, personally appeared Steve Snowden, of whom acknowledged the execution of the above foregoing instrument to be his own free and voluntary act, done with the complete authorization of Lane's Run Development Company, LLC, the Developer for The Village at Lane's Run and for the uses and purposes set forth therein.

Witness my hand and Notary Seal this 20th day of September, 2006

Linda Hudson Shely

NOTARY PUBLIC

My commission expires: 11-5-08

Prepared by: Steve Snowden
310 W. Short
Lansington, Ky 40507

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