

HIDDEN LAKE LN

COVENANTS AND RESTRICTIONS

OF

HIDDEN LAKE SUBDIVISION

My Old Kentucky Home, LLC, (the "Developer"), hereby creates, declares, and imposes these COVENANTS AND RESTRICTIONS OF HIDDEN LAKE SUBDIVISION ("Covenants and Restrictions") applicable to the below-designated tracts of land composing Hidden Lake Subdivision-Crescent Farm Tract 1-Lot 3 located in Fayette County, Kentucky.

W I T N E S S E T H:

WHEREAS, the Developer owns the real property consisting of those tracts of land designated as Lots 1 through 15 (the "Lots") and the private street right-of-ways (the "Common Areas") of Hidden Lake Subdivision-Crescent Farm Tract 1-Lot 3 in Fayette County, Kentucky, a Final Record Plat (the "Plat") of which is recorded in Plat Cabinet K, Slide 844 in the Fayette County Clerk's office; and

WHEREAS, for the beneficial interest of the Developer and of the future owners (the "Owners") of the Lots, it is desirable to subject said Lots to, and impose upon the Developer and Owners of the Lots, their successors and assigns, certain restrictions, conditions, limitations, reservations, and covenants in order to:

- (i) assure the beneficial, harmonious, and attractive development and improvement of the Lots and Common Areas;
- (ii) cause the construction of residences and improvements of exterior scale, design quality, and appearance which will be harmonious with other residences and enhance the aesthetic appearance and value of the Lots and residences; and
- (iii) to prevent certain uses thereof which tend to diminish or be detrimental to the valuable and enjoyable development and maintenance of said Lots and Common Areas; and

WHEREAS, the Developer desires to reserve for itself the sole discretion to review and approve certain aspects of the plans and specifications for the improvement of the Lots, alterations to such improvements and certain uses to be permitted or prohibited upon said Lots, all as set forth more specifically hereinafter in order to accomplish the above-described purposes.

RETURN TO:
Stephen M. Russell
250 W. Main, 22nd Floor
Lexington, KY 40502

NOW, THEREFORE, the Developer hereby declares that Lots 1 through 15 of Hidden Lake Subdivision-Crescent Farm Tract 1-Lot 3 located in Fayette County, Kentucky, a plat of which is of record in the Fayette County Clerk's Office as described above are and shall be held, transferred, sold, and conditions, limitations, reservations, covenants and agreements which are hereby declared to be covenants running with the land.

ARTICLE I.

DEFINITION

Section 1. "Association" shall mean and refer to Hidden Lake Owner Association, Inc., a Kentucky non-profit corporation, its successors and assigns.

Section 2. "By-Laws" means the By-Laws of Hidden Lake Owners Association as amended from time to time. All provisions contained in the body of this Declaration dealing with the administration and maintenance of the Property are deemed to be a party of the By-Laws.

Section 3. "Developer" shall mean and refer to My Ole Kentucky Home LLC, a Kentucky Limited Liability Company.

Section 4. "Lot" shall mean and refer to any numbered parcel of the Property as shown on the Plat.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Person" shall mean any individual, corporation, partnership, joint venture, trustee, or other legal entity.

Section 8. "Plat" shall mean the final record plat of survey of Hidden Lake Subdivision-Crescent Farm Tract 1-Lot 3 of record at Plat Cabinet K, Slide 844, in the clerk's office for Fayette County, Kentucky, showing the number of each Lot and expressing its area, location, and other data necessary for identification.

Section 9. "Street" or "Lane" shall mean the private street located on the Property which is designated as Hidden Lake Lane on the plat of Hidden Lake Subdivision-Crescent Farm Tract 1-Lot 3. The use of the Street is subject to rights and duties of future owners of Tract 6, Lot 3 (Buckles Property) as established on the Plat.

Section 10. "Subdivision" shall mean Hidden Lake Subdivision-Crescent Farm Tract 1-Lot 3., a plat of which appears of record at Plat Cabinet K, Slide 844 in the Payette County Clerk's Office.

Section 11. "Lake" shall mean the lake area, the earthen dam and easements as shown on Plat Cabinet K, Slide 844.

ARTICLE II.

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment; Exceptions.

Property Owner shall have a right and easement of enjoyment including without limitation, the right to use the Lake, the right of vehicular and pedestrian ingress and egress, in and to the Street which shall be appurtenant to and shall pass with the title to every Lot subject of Developer approval. This right and easement shall also be deemed granted to the Association and the Owners' families, guests, invitees, servants, employees, tenants, and contract purchasers. The right of enjoyment is subject to: (a) the right of the Association to suspend the voting rights of an Owner for any period during which any assessment for maintenance and/or repair of the Street or Common Areas, as provided by Article III herein, remains unpaid and for a period of time for any infraction of its published rules and regulations; and (b) the right of the Association to dedicate or transfer all or any part of the Street to any public utility easements previously established shall not be affected.

Section 2. The Developer shall have a right and easement and the Owners and their successor-in-title hereby grant to the Developer an easement over and upon so much of each Lot as lies within the roadway established by the Record Plat of the Subdivision and actually constructed upon such lots for the enjoyment of each Lot owner, their guests and invitees. This grant of easement shall run with the land and shall revert to the Association when all lots of the Subdivision are sold.

Section 3. No Partition.

Except as is permitted in this declaration or amendments thereto, there shall be no physical partition of any Street or any part thereof nor shall any person acquiring any interest in the Property have the right of judicial partition.

ARTICLE III.

HIDDEN LAKE OWNERS ASSOCIATION

Section 1. Membership

Every person or entity who is the Owner of record of a fee simple or undivided interest in any Lot which is subject to this declaration shall be a member of the Association provided that any person who holds an interest merely as security for the performance of an obligation shall not be a member.

Section 2. Voting Rights.

Each member of the Association shall be entitled to one (1) vote for each Lot in which they hold interest required for membership. If more than one person is an Owner of any Lot, all such persons shall be members; and the vote for such Lot shall be exercised as they determine among themselves; but in no event shall more than one vote be cast with respect to any such Lot.

Section 3. Rights and Obligations of Hidden Lake Owners Association.

(a) The Association shall maintain and keep the Street and all Common Areas and structures in good repair, unless such obligation is assumed by any municipal or governmental agency having jurisdiction thereof. This obligation includes, but is not limited to, ordinary repairs, maintenance, mowing, planting, snow removal, and paving. In addition, the Association shall assume the October 27, 1998 Application between My Ole Kentucky Home, LLC and Kentucky American Water Company (the "KAWC Agreement") for providing fire hydrants to serve lots 3 through 15 and pay all fees due thereunder.

(b) All rights reserved by the Developer in this Declaration shall automatically pass to the Association when title to one hundred percent (100%) of the Lots which may be developed on the Property has been conveyed by Developer.

(c) The Developer shall convey title to all Common Areas and so much of the Street as does not lie within the boundary of any Lot or Lots, by General Warranty Deed, at such time as title to one hundred percent (100%) of the Lots which may be developed on the Property has been conveyed by Developer.

(d) It is the express intention that the Association shall cause all Common Area, to be mowed periodically during the growing season. The cost and expense of such mowing shall be borne in the manner provided in Article IV.

(e) Collect pro rata fees from future owners of Tract 6, Lot 3 (Buckles Property) who may use the Street, whose rights and duties are established on the Plat.

ARTICLE IV.

MAINTENANCE

Section 1. Obligation for Assessments.

Each Owner, by acceptance of a deed for a Lot, whether or not it shall be expressed in such deed, covenants and agrees to pay to the Association an assessment equal to:

(a) For lots 1 through 15, one-fifteenth (1/15) of the costs of insurance, mowing, maintenance and repair of the Lake or any other costs associated with the upkeep of the Lake from time to time as required by the Association;

(b) For lots 3 through 15, one-thirteenth (1/13) of the costs of insurance, any mowing, maintenance, repair, repaving, snow removal; or any other costs associated with upkeep of the Street, Common Areas, and structures and payment of fees due to Kentucky American Water Company Agreement for fire hydrants, from time to time, as required by the Association.

Each such assessment together with interest, costs, and reasonable attorneys' fees shall be a charge on the Lot and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the party who was the owner of such property at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to an Owner's successor-in-title unless expressly assumed by them.

Section 2. Budget. The Association shall, at its annual meeting, prepare and adopt an annual budget which identifies by line item all classes of anticipated expenditure. The Association shall set the annual assessment and the terms of its payment at such meeting.

Section 3. Administration of Assessments.

The Developer shall administer the assessments and receipts therefrom, which shall be placed in an interest-bearing escrow account, until such time as the Developer has sold one hundred percent (100%) of the Lots. Such assessments shall only be used as described in Article III and Article IV of these Covenants and Restrictions.

Section 4. Effect of Non-Payment of Assessments; Remedies of the Association.

Any assessment not paid within fifteen (15) days of a notice of a request from the Association shall be subject to a late charge as determined by the Association. The Association may bring an action at law against the Owner personally obligated to pay the assessment, or foreclose the lien against the Property, and interest, costs, and reasonable fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the street or abandonment of his Lot.

Section 5. Subordination of the Lien to Mortgages.

The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding sections. However, the sale or transfer of any Lot pursuant to a first mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Owner from liability for any assessments thereafter becoming due or relieve such Lot from the lien for any assessments thereafter becoming due.

Section 6. Capitalization of Association.

Upon acquisition of record title to a Lot by the first purchaser thereof other than the Developer, a contribution of Five Hundred Dollars (\$500.00) shall be made by the Developer, including the \$100 contribution due for lots 1 and 2, to the escrow fund described in Section 3 of this Article for use in meeting unforeseen expenditures relating to maintenance and repair. Each additional lot owner shall contribute \$100 to the

escrow fund upon transfer of title of the lot. At such time as the balance of said fund is equal to or less than Fifty Dollars (\$50.00), each Owner shall contribute an additional One Hundred Dollars (\$100.00) to said fund upon notice from the Association.

ARTICLE V.

USE RESTRICTIONS

Section 1. Use.

Except for general agricultural uses consistent with the existing buildings located on Lots 3 and 14, no Lot shall be used for any purpose except for one single family detached dwelling, a garage and accessory uses and any equine related uses as permitted in the Agricultural-Rural (A-R) Zone. All buildings erected, altered, placed, and/or permitted to remain on said Lots shall be detached single-family residences with attached garages and other permitted buildings. The garage entrances shall not directly face the street. No part of any garage shall be located closer to the street than the front wall of the attached residence which is closest to the garage. The attached garage shall, as a minimum, contain sufficient space to accommodate two automobiles.

Section 2. Plan Approval.

Prior to the beginning of construction of any improvements upon a Lot (defined to be the beginning of any excavations, grading, or placement of improvements), there shall be submitted to, and approved by, the Developer in its sole discretion, duplicate copies in writing of the following:

(a) Plans, specifications, and elevations of all buildings (the "Building Plans") to be constructed, including a description of all exterior building and roof materials (including the color and type of exterior building and roof materials). One complete set of the Building Plans shall be retained by the Developer. All exterior walls of the Residence, the attached garage, mailboxes, and any other buildings on the Lot that are visible from any portion of another Lot shall be of unpainted brick in colors of red, bronze, brown, and/or similar and compatible colors or mixtures or limestone. Frame or mixed construction shall be of beaded redwood or other acceptable material within the sole discretion of Developer. No bedford stone or sandstone shall be allowed. All walks, steps, porches, patios, and other non-vehicular, non-painted surfaces in front of the residence

shall be of brick, flagstone, pavers or other approved surface (concrete shall not be permitted) compatible with the exterior surfaces of the Residence. All residences to be constructed shall be of a traditional or classical contemporary architectural character. Split-level, ranch or raised ranch, split-foyer, and ultra-modern residences are not permitted.

(b) Plot plan (the "Plot Plan") showing the location and dimensions of all buildings, driveways, porches, patios, terraces, mailboxes, pool houses, or other accessory buildings or structures, pools, tennis courts, Gazebos, or any other permanent exterior structures or improvements, the approximate location of existing trees (marked to designate which are proposed to be cut down and which are to be retained), all applicable front, side, and rear lot lines and easements, floor level elevations, roof slopes (the roof pitch shall not be less than 6 on 12), and the type and location of the front yard landscaping required herein. Within one hundred twenty (120) days after completion of the residence on each Lot, whether occupied or not and in addition to any trees already existing on the Lot at the time of conveyance by the Developer, there shall be planted on each Lot in front of the residence not less than ten (10) shrubs and/or trees.

(c) All proposed alterations, additions, or changes to the Building Plans or Plot Plan (as previously approved) shall be submitted to the Developer in writing and shall conform to all of the conditions above. The Developer shall have the right to approve, at its sole discretion, the proposed alterations, additions, or changes.

(d) The approvals of the Developer as provided above shall be valid only if construction is begun in accordance thereto within one (1) year from the date of such approvals. If construction has not begun within said time, then the approvals shall lapse and re-approval by the Developer shall be required prior to the beginning of such construction or improvements.

Section 3. Garage.

Only one residence with an attached garage and approved additional buildings and improvements described in Paragraph 2(b) above shall be permitted upon a Lot.

Section 4. Size.

Any residence constructed upon any Lot after the date of this document shall contain a minimum living area measured from the outside of the exterior walls, exclusive of porches, basements, attics, patios, and garages as follows:

(a) One story residences: 3,000 square feet on the ground floor.

(b) One and one-half story residences: 2,000 square feet on the ground floor.

(c) Two story residences: 2,000 square feet per floor.

Section 5. Utilities.

The Owner of the Lot shall have the responsibility to preserve and protect underground utilities located on the Lot. No utilities may be above ground unless approved by the Developer.

Section 6. Driveways.

All entrance ways, driveways, and parking areas shall be located with the consent and approval of the Developer and must be finished with asphalt, concrete, brick, or other approved hard surface construction materials. All driveways must be completed within one year of occupancy permit.

Section 7. Sod.

Within thirty (30) days after completion of the residence (weather permitting) on each Lot, all areas disturbed by construction shall be finish graded and seeded or sodded, and the side and rear yards shall be seeded or otherwise similarly planted or landscaped in full excepting only driveways, parking areas, sidewalks, walkways, patios, terraces, porches, tennis courts, garden area, etc.

Section 8. Trees.

No trees shall be removed or cut except (i) dead or diseased trees, or (ii) unless the prior approval of the Developer is obtained in writing and for reasons caused by the construction of improvements and/or the beneficial development and use of the Lot. The Developer is not responsible for the life or soundness of any trees.

Section 9. Ground Water.

The natural ground areas comprising detention areas and the natural ground areas comprising run-off and drainage areas together with existing ditches, shall be maintained by the

respective Owners of the said respective Lots in accordance with the provisions relating thereto as described on the Plat. The structural storm drainage facilities including, but not by way of limitation, the storm drainage pipes, flow structures and flow ways, whether of finished material or rock material construction, shall be maintained, repaired, reconstructed, and otherwise operated by, and at the expense of, the Association in accordance with the provisions relating thereto as described on the Plat and the obligations of the Association shall be primary for such work.

Section 10. Set Back.

All construction shall be behind the Building Lines shown on the Plat. Lots 3 through 11, inclusive, which border the easement of the Lake shall be restricted from building within one hundred (100) feet of the easement. This restriction shall include fencing.

Section 11. Other Vehicles.

No trailer, inoperative automobiles or other vehicles, motor home, boat, camper, truck, or other similar vehicles or property shall be allowed to remain on any Lot unless kept within an approved enclosed garage or approved enclosed storage area (i.e., within approved walls or fences) so as not to be visible from any other Lot or the street or the Lake. Notwithstanding the foregoing, vehicles reasonably necessary during construction or alterations of any buildings upon the Lot are permitted. All approved storage structures shall be constructed of building materials identical to the primary residence unless otherwise approved by the Developer.

Section 12. Tanks.

No gas, fuel, oil, or other holding tanks of any type shall be permitted to remain on any Lot without the prior approval of the Developer as to the location and character of enclosure or barriers.

Section 13. Clotheslines.

No exterior laundry or clotheslines which are visible from any adjoining property or street shall be permitted to remain.

Section 14. Antennas.

No antenna larger than a two-foot cube may be affixed to the residence, garage, or any other building or other structure, nor shall it extend higher than the highest point of the building or structure to which it is attached. No other antenna or satellite dish not so attached shall be located on the ground of any lot.

Section 15. Animals.

No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot except dogs, cats, or other small animals or birds customarily kept as household pets and horses. Lots 1 and/or 2 may, from time to time, on a temporary need basis, be used to raise up to 10 total orphan calves. Upon the sale of Lot 1 and/or 2 by David Demarcus, II, this use for Lot 1 and/or 2 shall expire. All such permitted animals shall be kept within an approved enclosed area and not permitted to run or stray upon any adjacent properties.

Section 16. Temporary Shelters.

No buildings or structures of a temporary character, including, but not limited to, storage huts, trailers, tents, shacks, barns, or other such structure shall be constructed or permitted to remain upon any lot unless reasonable, necessary, and incident to construction.

Section 17. Gardens.

No vegetable gardens upon any lot shall be planted or permitted to remain which extends nearer to the street than the rear yard of any residence on the Lot, and in no event, shall be nearer than one hundred (100) feet from the right-of-way line of any street.

Section 18. Signs.

No sign of any kind shall be displayed on any Lot except one sign not more than three square feet for advertising the Lot for sale or rent except signs of the Developer located on the Common Areas or Lots of the Developer advertising the sale of Lots by the Developer.

Section 19. Fences.

All fencing shall be four (4) plank oak fence and shall be painted (not creosote) black within one year of its installation.

Section 20. Maintenance.

Each Lot shall be maintained in a neat and orderly condition, whether having improvements thereon or vacant. Weeds and grass shall be cut when necessary, and leaves, broken limbs, and other debris shall be removed when necessary. In the event that an Owner of a Lot fails to maintain his Lot in a neat and orderly condition, the Developer may, at its discretion, enter upon such Lot without liability and proceed to put it into an orderly condition, billing the cost of such work at the rate of two and one-half (2.5) times the cost of labor and materials used. Said costs shall be a valid debt of the Owner (and all successor owners of the Lot), and shall constitute a lien on the Lot as provided in the recorded declaration of the Association and upon failure of the Owner to pay said cost in full within thirty (30) days from receipt of a bill therefor, shall be collectable by appropriate legal action together with late charges at the rate of Fifty Dollars (\$50.00) per month or fraction thereof, and reasonable attorneys' fees and expenses related thereto.

Section 21. Conduct.

No immoral, improper, unlawful, noxious, or offensive use shall be made or carried on in any building or upon any Lot, nor shall anything be done in any building or upon any Lot which may be, or may become, an annoyance or nuisance to the public or any other Owner.

Section 22. General Use Restrictions.

The following activities shall be prohibited on any Lot or common area:

- (a) Parking on the street.
- (b) Hunting or discharging of firearms.
- (c) Construction of improvements, including fencing, in any easement.
- (d) Dumping or storage of any organic or inorganic materials.
- (e) Modifying any shore line, flood plain or environmentally sensitive area.

Section 23. Lake Use and Dam Restrictions.

Use of the Lake and appurtenant easement shall be limited by the following restrictions:

- (a) There shall be no gasoline or combustible engines used on the Lake.
- (b) No boat longer than twelve (12) feet shall be permitted on the Lake.
- (c) No boat with sleeping quarters shall be permitted on the Lake.
- (d) No boat shall be permitted to have any advertising logos or wording.
- (e) Trout line or jug fishing nor the use of minnows shall be permitted on the Lake.
- (f) Any construction, obstruction, fencing, or removal of trees on the Lake easement as shown on Plat Cabinet K, Slide 844 are prohibited.
- (g) Construction of docks are prohibited without the written approval of the Association.
- (h) Motorized vehicles are prohibited from crossing or using, in any manner, the Lake's earthen dam.

Section 24. Developer Responsibility.

The Developer shall not be responsible for the life or health of any trees upon any Lot or the Common Areas, at the time of conveyance by the Developer. After completion of all improvements, utilities, retention and storm drainage improvements, the Developer shall not be responsible for any repairs, maintenance, reconstruction, or other work thereon except during such time as the Developer retains legal title thereto.

ARTICLE VI.

Section 1. Restrictions.

Each Lot shall be conveyed subject to these Covenants and Restrictions, the easements and restrictions and conditions shown on the Plat, all provisions of the Declaration of Association and the regulations and restrictions of all governmental entities.

Section 2. Enforcement.

Each and all of the above Covenants and Restrictions shall be enforceable by injunction or other appropriate legal action available to the Developer, the Owner of any Lot, the Association and their respective successors and assigns.

Section 3. Run with the Land.

These Covenants and Restrictions shall run with the land, shall be binding upon all parties and all persons claiming under them for a period of thirty (30) years from and after the date upon which they have been recorded, and shall be automatically extended for four (4) successive periods of ten (10) years each, unless an instrument in writing signed by not less than the Owners of two-thirds (2/3) of the Lots changing these Covenants and Restrictions is recorded in the Fayette County Clerk's Office.

Section 4. Validity.

Invalidation of any one or more of these Covenants and Restrictions by judgment or court order shall in no way affect the validity of any of the other provisions hereof which shall remain in full force and effect.

Section 5. Assignment.

The Developer, at its sole discretion, may assign to the Association all of the rights and privileges retained by the Developer hereinabove, including those relating to the right to approve or disapprove any specified items and any rights to enforce compliance with these Covenants and Restrictions. Upon such assignment, the Association shall thereafter have any and all rights, powers, privileges, and duties herein granted to the Developer.

Section 6. Amendment.

These Covenants and Restrictions may not be amended and/or modified unless approved by a minimum of seventy-five (75%) percent of the votes entitled to be cast. Notice of the subject matter of a proposed amendment and/or modification shall be included in the notice from the Association to the members of any meeting at which a proposed amendment is to be considered. A resolution adopting a proposed amendment and/or modification may be proposed by either the Association or an Owner entitled to vote. No amendment or modification shall discriminate against any Owner or against any Lot or class of Lots, unless the Owners of such Lots so affected shall consent to same in writing. A copy of each approved amendment and/or modification shall be certified by the President and Secretary of the Association as

having been duly adopted and shall be effective when recorded in the offices of the Fayette County Court Clerk in Lexington, Fayette County, Kentucky.

ARTICLE VII.

Hidden Lake Owners Association, Inc. joins in this Declaration for the purpose of consenting to and agreeing to perform the duties and obligations imposed upon said Association by this Declaration.

ARTICLE VIII.

David R. DeMarcus, II and Patricia K. DeMarcus, as owner of Lots 1 and 2 hereby submit their lots to these Covenants and Restrictions and to the Association.

IN WITNESS WHEREOF, the Developer has hereunto caused its name to be subscribed this 15 day of April, 1998.

MY GLE KENTUCKY HOME, LLC

a Kentucky Limited Liability Company

By: 

RALPH A. RUSCHELL, Member

"DEVELOPER"


David R. DeMarcus, II


Patricia K. DeMarcus

HIDDEN LAKE OWNERS
ASSOCIATION, INC.

a Kentucky corporation

By: 

its: Ralph A. Ruschell
Member