



Harrodsburg Square Condominiums – Restated ByLaws
November, 2008

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1. ByLaw Applicability

The provisions of these restated ByLaws (“ByLaws”) are applicable to the property described in the Master Deed and Declaration (“Master Deed”) including the land, buildings and all improvements and structures thereon, as well as all easements, rights of way and appurtenances thereunto belonging (“Property”), and the use occupancy, sale, lease, or other transfer thereof. All owners of any freehold or leasehold interest, all occupants or users of the Property, and the guests, agents, and servants of any of them, are subject to the provisions of the Master Deed, these ByLaws, and the applicable laws of the Commonwealth of Kentucky and the Lexington-Fayette Urban County Government.

Each Co-Owner, resident, agent, servant, and guest shall also comply with the decisions, rules, and regulations (“Rules”) as adopted from time to time by the Harrodsburg Square Association of Co-Owners (“Association”) and/or the Board of Administration (aka “Board” and “Board of Directors”). Failure to comply with any such provision, decision, or resolution shall be grounds for action to recover sums due, for damages, or for injunctive relief.

All persons who might use the Property in any manner are subject to these provisions and the mere acquisition or rental of any of the Units on the Property or the mere act of occupancy of any of the Units shall signify that the provisions of these ByLaws are accepted and ratified.

2. ByLaw Legality

A. Compliance and Conflict

These ByLaws are in compliance with the requirements of the Horizontal Property Law of the Commonwealth of Kentucky (“Act”). The ByLaws are subordinate and subject to all provisions of the Act and the Master Deed. In the event of any conflict between the Act and the Master Deed, the provisions of the Act shall control.

B. Severability and Waiver

If any provisions of the ByLaws or any section, sentence, clause, phrase, or work, or the application thereof in any circumstance is held invalid, the validity of the remainder of these ByLaws shall not be affected thereby, and to this end the provisions hereof are declared to be severable. No restriction, condition, obligation, or provision of these ByLaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce them.

C. Gender and Definitions

Whenever in these ByLaws the context so requires, the singular number shall include the plural and the converse; and the use of one gender shall be deemed to include both genders. The meaning of terms used herein are listed in Appendix A – Definitions.

3. Property and ByLaw History

The condominium project known as “Harrodsburg Square, a Condominium Community,” was declared and constituted as a Horizontal Property Regime under the laws of the Commonwealth of Kentucky by Master Deed



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and Declaration dated 18 December 1979. The deed, from Miracon, a Kentucky General Partnership, was recorded in Condominium Deed Book 3, page 735, Fayette County Clerk's Office.

The area of the Property consists of all of Lot 3 of the Final Record Plat of IBM Property, as shown in Plat Book 25, page 25 in Plat Cabinet A, slide 388, Fayette County Clerk's Office. The Property, including the buildings, driveways, and the pool, are shown on the recorded plats in the Fayette County Clerk's Office, Deed Book 1244, page 41, which was recorded 2 January 1980, when the Property was conveyed by Harrodsburg Square, a Partnership to Miracon, a Kentucky General Partnership.

Harrodsburg Square A Condominium Community has been governed by ByLaws and Amendments recorded in Condominium Deed Book 3; page 745; Condominium Deed Book 7, page 788; Condominium Deed Book 8, page 279; and Condominium Deed Book 16, page 427, in the Fayette County Clerk's Office.

It is the desire of the Association to change the name of the Property from "Harrodsburg Square, A Condominium Community" to "Harrodsburg Square Condominiums" and to consolidate the original ByLaws and all amendments thereto for the purpose of simplicity and clarity, as well as to make some changes of substance, and intend that these Restated ByLaws will supersede and exist in lieu of the original ByLaws and all previous amendments. The restated ByLaws are as follows:

4. Description and Use of the Property

The Property includes ten buildings containing the Clubhouse (which houses the lounges, kitchen, office, laundry, supply, and mechanical room) and 166 dwelling Units. There are three Property types: Units, General Common Property, and Restricted Common Property (hereinafter defined).

Each of the Units is held in fee simple and may be retained, occupied, conveyed, transferred, encumbered, inherited, or devised in the same manner as any other parcel of real estate independent of the other individual Units by or to one or more owners ("Co-Owners"), each Co-Owner being a person, corporation, trust or any other legal entity, or any combination thereof, that obtains a property right in a Unity and an undivided interest (Co-Ownership) in the General and Restricted Common Property.

A. Unit Boundaries and Definitions

The lower boundary of each Unit is a horizontal plane the elevation coinciding with the upper surface of the unfinished subfloor of the Unit, extended to the perimetrical boundaries of the Unit. The upper boundary of each unit is a horizontal plane that coincides with the lower surface of the unfinished ceiling joists of the Unit, extended to the perimetrical boundaries of the Unit. The perimetrical boundaries of each Unit are vertical planes which coincide with the unexposed studs of the perimeter walls of the Unit, extended to intersect the upper and lower boundaries of the Unit. The drywall, plenums, windows, and doors in/on the upper, lower, and perimetrical boundaries are part of the unit.

Mechanical equipment, plumbing, and appurtenances located within any one Unit or located without said Unit but designed to serve only that Unit, such as air conditioning compressors and other heating and air conditioning apparatus, appliances, range hoods, electrical receptacles and outlets, fixtures and the like, shall be considered part of the Unit, as shall all interior partition walls, floors, and ceilings, and all interior surfaces consisting of, among other things drywall, plaster, wallpaper, paint, flooring, carpeting, and tile. All pipes, wires, conduits, or other utility lines or installations constituting a part of the Unit or serving only the Unit, or



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property of any kind which is removable without jeopardizing the soundness, safety, or usefulness of the remainder of the building within which the Unit is situated, are part of the Unit.

B. Easements

Easements are hereby reserved through each of the Units for the benefit of other Units as may be required for repairs, utility lines, and for heating, air-conditioning, and ventilating ducts in the locations as presently installed or as subsequently approved by the Association or Board.

C. Unit Types

Units on the Property are listed below according to Unit Type or Floor Plan.

Unit Type / Floor Plan	Unit Numbers	Number
1 Bedroom, Flat Ceiling	101, 102, 425, 426, 613, 614, 801, 802, 1001, 1002	10
1 Bedroom, Vaulted Ceiling	103, 104, 427, 428, 615, 616, 803, 804, 1003, 1004	10
2 Bedrooms, 1 Bathroom, Flat Ceiling (Plan A)	401, 402, 405, 406, 409, 410, 413, 414, 417, 418, 421, 422, 601, 602, 603, 604, 607, 608, 609, 610	20
2 Bedrooms, 1 Bathroom, Vaulted Ceiling (Plan A)	403, 404, 407, 408, 411, 412, 415, 416, 419, 420, 423, 424, 605, 606, 611, 612	16
2 Bedrooms, 2 Bathrooms, Flat Ceiling (Plan B)	501, 502, 503, 504, 507, 508, 509, 510, 513, 514, 515, 516, 519, 520, 521, 522, 525, 526, 527, 528	20
2 Bedrooms, 2 Bathrooms, Vaulted Ceiling (Plan B)	505, 506, 511, 512, 517, 518, 523, 524, 529, 530	10
2 Bedrooms, 2 Bathrooms, Flat Ceiling (Plan C)	301, 302, 305, 306, 309, 310, 313, 314, 317, 318, 321, 322, 701, 702, 705, 706, 709, 710, 805, 806, 901, 902, 905, 906, 1005, 1006, 1009, 1010, 1013, 1014	30
2 Bedroom Townhouses	105, 106, 107, 108, 109, 110, 111, 112, 113, 114	10
3 Bedroom Maisonettes (Lofts)	303, 304, 307, 308, 311, 312, 315, 316, 319, 320, 323, 324, 703, 704, 707, 708, 711, 712, 807, 808, 903, 904, 907, 908, 1007, 1008, 1011, 1012, 1015, 1016	30
3 Bedroom Townhouses	115, 116, 201, 202, 203, 204, 205, 206, 207, 208	10

D. Unit Percentage Interests

The Unit Percentage Interest determined by the unit’s square footage and the unit’s proportionate share of the Restricted Common Property is listed below by unit type:

Unit Type / Layout	Square Footage	Percentage Each
1 Bedroom, 1 Bathroom, Flat or Vaulted Ceiling	840	0.41082
2 Bedrooms, 1 Bathroom, Flat or Vaulted Ceiling (Plan A)	1,050	0.53691
2 Bedrooms, 2 Bathrooms, Flat or Vaulted Ceiling (Plan B)	1,030	0.53123
2 Bedrooms, 2 Bathrooms, Flat Ceiling (Plan C)	1,100	0.59634
2 Bedroom Townhouses	1,200	0.66765
3 Bedroom Maisonettes / Lofts	1,475	0.77204
3 Bedroom Townhouses	1,700	0.87901



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E. General Common Property

The General Common Property consists of those areas and facilities which are not Units as defined above or Restricted Common Property as defined below, including, but not limited to:

- 1) **The entrance areas, exterior stairways, pipes, water mains, public utility lines and meters, other service installations (regardless of location), service and supply areas, all of which are used by more than one unit;**
- 2) **any central service system used for distribution of heat and air conditioning, power, light, gas and water, compressors, chillers, boilers, incinerators, water storage tanks, pipes, ducts, flues, chutes, exhaust shafts, conduits, cable and wire outlets and other utility lines which are used for more than one Unit;**
- 3) **the grounds, including the parking areas, streets, curbs, walkways, paths, trees, shrubbery, lawn areas, play ground, fencing, exterior lighting, and devices of common use or necessity for the existence, upkeep, use and safety of the grounds; and**
- 4) **the clubhouse, office, laundry, swimming pool, and all equipment and fixtures necessary to the support thereof.**

The General Common Property is owned in common by all of the Co-Owners. The General Common Property shall remain undivided and no Co-Owner shall bring any action for partition or division of the whole or any part thereof.

F. Restricted Common Property

The Restricted Common Property consists of those spaces so designated on the recorded Plans and such other spaces as are agreed upon by a majority of the Co-Owners to be reserved for the use of a certain unit, including patios, balconies, and decks. *Foundations, slabs, roof structures, beams, entrance areas, pipes, wires, air ducts, columns, girders and supports that benefit primarily one unit are also included.* Restricted Common Property is owned in common by all of the Co-Owners but is restricted to the exclusive use and benefit of the Unit to which it is appurtenant or assigned.

The undivided interest in the General and Restricted Common Property shall not be separated from the unit to which it pertains and shall be deemed conveyed or encumbered with the unit even though such interest may not be expressly stated or described in the conveyance or other instrument.

5. Restrictions on the Use of the Property

To assist in providing for the congenial occupancy and protection of the value of the Units, the Association through its Board of Administration has the right and authority to exercise reasonable controls over the use of the Units by establishing Rules (see Appendix). Rules may be changed from time to time without changing any specification of these ByLaws. The Rules exist in addition to the following ByLaw restrictions:

A. Parking Restrictions

Due to the limited number of parking spaces on the Property, one parking spot will be assigned to each condo (though the parking lot remains common property). All unmarked parking spots may be occupied on a 'first come, first served' basis.



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B. Alterations

- 1) **Co-Owners may not make or allow any alterations or additions to the General or Restricted Common Property or remove any part or portion thereof.**
- 2) **Co-Owners may not make or allow any additions to his Unit or do anything which would or might jeopardize the safety or soundness of the structure.**
- 3) **All changes to electric, plumbing, heating / cooling systems and structure must be completed in accordance with current construction codes / laws and plans must be pre-approved by the HOA.**
- 4) **Co-Owners may not install or allow wiring or piping for electrical or telephone installation, television antenna, machines, or air-conditioning units, etc., which protrude through the walls or the roof of the building or are otherwise visible on the exterior of the building.**
- 5) **Co-Owners may not install or allow any fireplace, wood-burning stove, or similar open-flame device in any Unit.**
- 6) **All contractors hired by Co-Owners must be bonded and insured. Co-Owners are responsible for all damage to their condo, other condos, and common property resulting from faulty repairs, renovations, or improvements.**
- 7) **Co-Owners inherit pre-existing conditions with their condo and are responsible for all issues and problems (known or unknown) associated with their condo. This includes damage to adjacent condos. Therefore all Co-Owners are advised to have their home inspected for pre-existing conditions that may cause problems.**
- 8) **Co-Owners may not alter the exterior of their condos without approval from the Board. This rule is intended to maintain the architectural style of the community. Exterior alterations include, but are not limited to, changes in painting, lighting, decking, doors, and stairways. Co-Owners in violation of this rule will be liable for all costs associated with returning the exterior to the condition it was in before the changes were made.**

C. Consent to Alterations

The Board shall have the obligation to answer any written request by a Co-Owner for approval of a proposed addition, alteration, or improvement to the Co-Owner's Unit within 30 days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition, alteration, or improvement.

D. Permits and Liabilities

Any application to any municipal department or to any other governmental authority for a permit to make an addition, alteration, or improvement in or to any Unit shall be executed by the Co-Owner and their contracted vendor. Copies of these permits will be provided to the Board.

E. Right of Access

A Co-Owner or resident upon 24-hour notice shall grant the right of access to his Unit to any person authorized by the Board for the purpose of making inspections; for the purpose of correcting any condition originating in



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his Unit and threatening another Unit or General or Restricted Common Property; or for the purpose of performing installations, alterations, or repairs to any of the Property.

In case of an emergency, such right of entry shall be immediate whether or not the Co-Owner or occupant is present at the time. If the Co-Owner has not provided the Office with a copy of the Unit's key and if access to the Unit must be forced, the Co-Owner shall be responsible for the door damage or locksmith service.

F. Abating Violations

The violation of any Rule adopted by the Board, or the breach of any provision of these ByLaws, shall give the Board the right, in addition to any other right set forth in these ByLaws:

- 1) **to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; and/or**
- 2) **to levy a fine of not more than \$1,000 against the Co-Owner and/or tenant at fault for such violation after first giving the alleged party at fault an opportunity to be heard and at least a ten-day notice of the time and place of the hearing. If a fine is imposed, such fine shall constitute a lien from the date of the imposition until the date of full payment.**

G. Acceptable Use

All Units shall be used for private residential purposes except for such temporary non-residential uses as may be permitted by the Board from time to time. The General and Restricted Common Property shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of the Units.

H. Noise and Nuisances

Co-Owners, tenants, and guests shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, television, and amplifiers that may disturb other residents.

No nuisances shall be allowed on the Property, nor shall any use or practice be allowed which is unlawful, which is a source of annoyance to its Co-Owners/tenants, or which interferes with the peaceful possession or proper use of the Property by its residents.

See Appendix C – Grievance Resolution

I. Leasing Units

Any Co-Owner of a Unit may lease said Unit provided the Co-Owner uses a lease form consistent with the provisions of these ByLaws and that the following restrictions and conditions are included in the lease:

- 1) **The names of all persons including children who occupy a Unit shall appear on the lease as shall the signatures of all persons over 18 years of age. Such signatures shall indicate that the tenant agrees to abide by the terms of the lease.**
- 2) **All renters' vehicles must be registered with the management company.**
- 3) **Units may not be sub-leased.**
- 4) **No more than three people, unless related by law, may occupy the Unit.**



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- 5) **Co-Owners must report the term (in months / years) of the lease.**
- 6) **Co-Owners must pay \$75 each time their unit is occupied by a different renter / set of renters. The \$75 is to cover wear and tear on common property.**
- 7) **No tenant shall make or allow any addition, alteration, or improvement to the condo they occupy.**
- 8) **The Co-Owner, Board, or their agent has the right upon 24-hour notice to enter the leased premises at all reasonable times for the purpose of making any necessary repairs. In case of an emergency, such right of entry shall be immediate.**
- 9) **The tenant will procure the compliance of his family, guest, or employees, with the ByLaws and the Rules of the Association.**
- 10) **Upon the failure of the tenant to remedy a violation of the ByLaws or the Rules within 30-days written notice from the Board to the Co-Owner, the Board may terminate the lease and institute legal proceedings to evict the tenant in the name of the Co-Owner.**

A copy of the then current Rules of the Association shall be explained to every occupant by the Co-Owner and said Rules shall be a part of (and attached to) the tenant's lease. A fully executed copy of the lease or renewal thereof signed by the Co-Owner and each of his adult tenants shall be delivered to the Management Company / Board within 10 days of execution.

Co-Owners of leased Units are responsible for the conduct of their tenants and for any expense to the Association incurred in repairing or replacing any of the Property damaged by their tenants. Any Attorneys' fees or court costs incurred in enforcement of these ByLaws or repair of the Property shall be charged to the Unit Co-Owner and shall constitute a lien against said Unit from the date of imposition until the date of full payment.

6. Co-Owner's Responsibilities

A. Change of Ownership

The Co-Owner shall notify the Board in writing of any change in ownership of his Unit and shall supply the Board with the name of the new Co-Owner and the date of the transfer of ownership.

B. Maintenance

Each Co-Owner is responsible for the maintenance, repair, and replacement of all elements within his Unit, including the operation of the heating and air-conditioning units and the condensation lines, and all electrical and plumbing lines and pipes within the boundaries of his Unit. (The Association is responsible for lines, pipes, and circulation to and from the Units.)

The Co-Owner of any Unit shall, at his own expense, clean and maintain all windows of the Unit and shall, at his own expense, clean and maintain the glass surfaces of all glass doors including the interior and exterior surfaces of any door leading to any balcony, deck, terrace, or patio appurtenant to such Unit.

Every Co-Owner is also responsible for keeping all portions of the Property restricted to use of his particular Unit (including any balcony, deck, or patio pertinent to such Unit) free and clear of dirt, leaves, weeds,



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volunteer trees and shrubs, trash, refuse, boxes, storage, equipment, appliances, furniture (except porch or patio furniture), and ice and snow; and in good order and appearance. Co-Owners are responsible for all lighting fixtures on their respective restricted common property. This implies ensuring all fixtures are maintained and in working condition (this includes globes and bulbs).

C. Reporting Damage

Each Co-Owner or tenant shall promptly report in writing to the Management Company / Board any defect or need for repairs, the responsibility for the remedying of which is the Association's. If the Association has employed a management company who accepts work orders through phone conversation, voicemail, or electronic mail, Co-Owners may report damage through these means.

D. Reimbursement for Damages

A Co-Owner shall promptly reimburse the Association for any expense to the Association incurred in repairing or replacing any of the Property damaged through said Co-Owner's at fault or negligence or the at fault or negligence of his guests, family, or tenants.

Each Co-Owner/tenant shall additionally abide by the Rules listed in the Appendix of these ByLaws.

Any legal costs and/or attorneys' fees incurred to enforce these ByLaws or the Rules adopted by the Association or Board shall be imposed against the Co-Owner responsible for the violation and/or against the Co-Owner of a Unit housing a tenant in violation.

7. Operating Assessments

A. Liability for Assessments

Each Co-Owner will share equally in the following expenses:

- Administration
- Maintenance of lighting of the grounds, laundry/vending, landscape, pool and snow removal.
- Capital improvements of clubhouse and laundry
- Reserve Fund Needs
- The remainder of expenses of operating and maintaining the General
- Common Property (Common Expenses).
- Utilities (via monthly assessments) and maintenance of Restricted Common Property will be assessed in accordance with the Unit Percentage Interest attributable to each Unit, except as these ByLaws require Co-Owners to be responsible for the normal maintenance of the restricted common property assigned to their units.

B. Common Expenses

Common Expenses, in general, shall include the costs of operation of the Common Property, trash collection for the Units and General Common Property; administration and management, including among other expenses management fees, service contracts, employment taxes, and employee salaries; and upkeep, repair, or replacement of the General Common Property. Common Expenses shall also include any amount the Board may deem proper for the operation of the Property, including, without limitation, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year.



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C. Restricted Common Property Expenses

These will include electricity, gas, water, and sewer, replacements or repair of Restricted Common Property; liability and property insurance on the General and Restricted Common Property, Association, Board and their agents. Working capital will be derived from both General Common Property and Restricted Common Property assessment.

D. Fixing of Assessments

At each annual meeting the Association shall fix and determine the amount deemed necessary to provide for the Common Expenses for the next fiscal year, and shall assess said amount (aka “Assessment Fee”, “Monthly Fee”, and “Monthly Dues”) against all Units in accordance with their Individual Percentage Interests. To assist the Association in determining the amount of the Common Expenses and Assessment Fees, the proposed budget shall be available from the Board at least five working days prior to the annual meeting.

The Board shall advise all Co-Owners promptly, in writing, of any change in the amount of the Assessment Fees payable by each of them, respectively, and shall furnish to all Co-Owners copies of the budget on which such charges are based.

E. Payment of Assessments

Each Co-Owner is obligated to pay the Assessment Fees levied against his Unit for payment of the Common Expenses expected in the next fiscal year, and such amount shall constitute a lien against said Unit from the day of assessment until the date of full payment. Annual Assessment Fees may be divided into monthly installments to be paid monthly in advance. All monthly assessment payments shall be due on the first day of each month, and become delinquent if not paid by the end of Office hours on the tenth day of each month.

Monthly assessment payments are to be made by check or money order and are to bear the applicable Unit number.

F. Late Payment Penalties

Delinquent assessment payments shall subject the defaulting Co-Owner to a late payment penalty of 10% per month on the outstanding balance until paid. The Board shall have the right and duty to take all appropriate actions to collect any Assessment Fees which remain unpaid for a period of more than 30 days from the date due. The Board may institute a suit to recover a money judgment for the same, together with interest thereon and reasonable expenses of collection, including attorneys’ fees, without foreclosing or waiving the lien described above.

The lien for unpaid Assessment Fees may be enforced and foreclosed in such manner as provided by the laws of the Commonwealth of Kentucky for the foreclosure of mortgages and other liens and encumbrances.

G. Liability for Unpaid Assessments

In a voluntary conveyance of a Unit, the seller (“Grantor”) of the Unit shall be jointly and severally liable with the buyer (“Grantee”) for all unpaid Assessment Fees levied by the Association against the seller up to the time of the grant of conveyance, without prejudice to the buyer’s right to recover from the seller the amounts paid by the buyer therefore. The buyer shall be entitled to a statement from the Board setting forth the amount forth the amount of the unpaid Assessment Fees due the Association from the seller.



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H. Verification of Unpaid Assessments

Whenever so requested by a mortgage, title company, or attorney the Board shall promptly report any then unpaid Assessment Fees or other charges due from the Co-Owner of the mortgaged Unit.

8. Administration of the Property (Association of Co-Owners)

The administration of Harrodsburg Square Condominiums is by the Association of Co-Owners through the Board of Administration in accordance with the provisions of these ByLaws.

A. Association Membership

All of the Co-Owners together constitute the Association of Co-Owners (aka “Home Owners Association” and “HOA”). Every Co-Owner of a Unit is automatically a member of the Association until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Other than as an incident to lawful transfer of title to a Unit, membership in the Association shall be non-transferable, and any attempted transfer shall be null and void.

B. Duties

The Association shall be responsible for overall policy and administration of the Property, but, except as otherwise provided in these ByLaws or by Statute of the Commonwealth of Kentucky (“Statute”), shall act by and through its elected Board of Administration.

C. Annual Meeting

The Association shall hold an annual meeting on the second Monday in September of each year if not a legal holiday, and if a legal holiday, then on the next secular day following. At such meetings there shall be elected by ballot a Board of Administration in accordance with these ByLaws. The Association may also transact such other business as may properly come before it.

D. Notice of Meeting

Written notice of the time and place of the annual meeting shall be served upon or mailed to (such mailing to be considered notice served) each Co-Owner entitled to vote thereat at least 10 days but not more than 60 days prior to the meeting.

E. Waiver of Meeting Notice

When any notice is required to be given under the provisions of the Statutes, the Master Deed, or these ByLaws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent to receiving notice. Attendance at any meeting shall be a waiver of notice.

F. Special Meetings

A special meeting of the Association for any purpose or purposes, unless otherwise proscribed may be called by the President of the Association, and shall be called by the President if so directed by resolution of the Board or upon a petition signed by Co-Owners representing 30 percent or more of the total Unit Percentage Interests in the Property and presented to the Secretary of the Association. Such petition shall state the purpose or purposes of the proposed special meeting. No business shall be transacted at a special meeting except as stated in the notice.



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Written notice of a special meeting, stating the time, place, and object of such meeting and the specific action to be taken thereat, shall be served upon or mailed to each Co-Owner entitled to vote thereat at least 10 days but not more than 60 days before such meeting.

G. Voting

Voting at all meetings of the Association, in person or by proxy, shall be on the basis that all units shall have an equal vote. Where a Unit is owned by more than one person, all the Co-Owners thereof shall be collectively entitled to the vote assigned to such Unit and such Co-Owners shall, in writing, designate an individual who shall be entitled to cast the vote on behalf of the Co-Owners of said Unit of which he is a part owner until such authorization shall have been changed in writing. No Co-Owner shall be eligible to vote or to be elected to the board that is delinquent in payment of Assessments for common expenses or other debts or obligations to the Association.

H. Proxies

At all meetings of the Association each Co-Owner having the right to vote shall be entitled to vote in person or by proxy appointed by an instrument in writing subscribed by such Co-Owner for such meeting. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof. Proxies must be filed with the Secretary of the Association at least two days before the time appointed for each meeting in the notice. A Co-Owner may appoint any other Co-Owner or the Board as his proxy.

I. Quorum

Fifty percent of the Co-Ownership shall constitute a quorum and, once a quorum is established, departure of a Co-Owner from the meeting shall not affect the right of the Co-Owners remaining to conduct any business which might come before the meeting for consideration. If, however, such quorum is not present or represented at any meeting, the current Board of Administration is authorized to cast the remaining number of votes to establish a quorum. This stipulation does not pertain to the election of new Board members.

When a quorum is present at any meeting, the vote of a majority of Co-Owners present in person or presented by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the Statutes, or of these ByLaws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

J. Action in Lieu of Meeting

Whenever the vote of the Co-Owners at a meeting is required or permitted, by any provision of the Statutes or of these ByLaws to be taken, the meeting and vote of Co-Owners may be dispensed with if a majority of the Co-Owners who would have been entitled to vote upon the action had such meeting been held shall consent in writing to such action being taken.

K. Amendments to ByLaws

These ByLaws may be amended by the affirmative vote of Co-Owners representing more than 50% of the total number of Co-Owners of the Association at any regular or special meeting of the Association.

9. Board of Administration (aka Board of Directors)

The affairs and business of the Association shall be managed by the Board of Administration which may exercise such powers and perform such duties and lawful acts except those required by Statute or these ByLaws to be performed by the Association or others.



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A. Duties

It shall be the responsibility of the Board:

- 1) **to enforce the provisions of the Master Deed, these ByLaws, and any amendments thereto; and such Rules as the Association or Board may issue from time to time, including the right to sue on behalf of the Association;**
- 2) **to provide for the care, upkeep, protection, and improvement of the General and Restricted Common Property; to enter into service, employment, and other contracts incident thereto; and to employ, supervise, and dismiss employees, agents, and attorneys required therefore;**
- 3) **to prepare for submission to the annual meeting of the Association a budget to facilitate the establishment of the Assessment Fees to be assessed against the Co-Owners;**
- 4) **to present at each annual meeting, and when called for by vote of the Association at any special Association meeting, a full and clear statement of the business and condition of the Association;**
- 5) **to obtain insurance as hereinafter provided; and**
- 6) **to establish reasonable reserve funds for emergencies and unforeseen contingencies, and the repair and replacement of the General and Restricted Common Property.**

B. Powers

The Board shall have the power and authority to adopt Rules from time to time for the administration of the affairs of the Association and the enjoyment of its Co-Owners, provided that no rule or regulation shall be in conflict with the Statutes or these ByLaws, and provided further that no rule or regulation shall be so construed as to impair in any manner the lien of any mortgagee or holder of a note secured by a mortgage, deed of trust, or other security interest if said rule or regulation is enacted after the execution of said mortgage, deed of trust, or other security interest.

C. Limits on Expenditures

Whenever in the judgment of the Board the General and Restricted Common Property shall require additions, alterations, or improvements costing in excess of \$5,000, the making of such additions, alterations, or improvements must be approved by the Association. Upon obtaining such approval, the Board may then proceed with such additions, alterations, or improvements and shall assess all Co-Owners for the cost thereof as a Common Expense. In case of emergency, the Board may act without the approval of the Association, but must furnish the Association an accounting of such costs within 30 days.

Any additions, alterations, or improvements costing \$5,000 or less may be made by the Board without approval of the Association and the cost thereof shall constitute part of the Common Expenses.

D. Record Keeping

All books and records shall be kept in accordance with good accounting practices on a calendar year basis beginning with the first day of January in each year and the same shall be reviewed annually by a person or persons to be selected by the Board, and audited if such procedure is approved by the Association.



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Each Co-Owner, mortgagee, and other persons lawfully entitled shall be permitted to examine the account books, minutes, and list of Co-Owners of the Property during regular business hours, but no more often than once a month. Annual reports shall be made available to the Association.

E. Management

The Association, by and through the Board, may employ a paid Manager at a compensation to be established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed above.

F. Number and Term of Board Members

The number of members who shall constitute the Board of Administration shall not be less than four nor more than seven. The term of office of each member is two years. The term of office of four members and the term of office of three members shall expire on alternate years. At the expiration of the term of Board members, successors shall be elected by the Association at the annual meeting. The Board members shall hold office until their successors have been elected and hold their first meeting.

G. Board Vacancies

Vacancies on the Board caused by any reason other than removal of a member by a vote of the Association shall be filled by the vote of the majority of the remaining Board members. In case of a tie vote, the Board shall ask the most recent Board member still in residence at Harrodsburg Square to cast the deciding vote. Each person so elected shall be a Board member until a successor is elected at the next annual meeting of the Association to fill the unexpired term.

H. Removal of Board Members

At a regular or special Association meeting duly called, any Board member may be removed with or without cause by a majority vote and a successor may then and there be elected to fill the vacancy thus created. Any Board member whose removal has been proposed by a Co-Owner or the Association shall be given an opportunity to be heard at the meeting.

The term of any Board member who sells his Unit or who becomes more than 60 days delinquent in payment of any assessments due the Association shall be automatically terminated and the remaining Board members shall appoint his successor as provided above.

I. Organizational Meetings

The first meeting of a newly elected Board shall be held within ten days of election at such time and place as shall be fixed by the Board at the meeting at which such Board was elected. No further notice shall be necessary in order legally to constitute such meeting, providing all of the Board has been given timely notice of the meeting and a majority of the whole Board is present.

J. Regular Meetings

Regular meetings of the Board may be held at such time and place as shall be determined by a majority of the Board, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each member personally or by mail or telephone at least three days prior to the meeting.

K. Special Meetings

Special meetings of the Board may be called by the President on three days' notice to each member of the Board. Such notice shall state the time, place, and purpose of the meeting. Special meetings of the Board shall



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be called by the President or Secretary in like manner on the written request of at least three members of the Board.

L. Waiver of Notice

Before or at any meeting of the Board any member may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Board shall constitute a waiver of notice. If all the Board is present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

M. Quorum

At all meetings of the Board a majority of the members shall constitute a quorum for the transaction of business, and the acts of the majority of the members present at a meeting at which a quorum is present shall be the acts of the Board. If at any meeting of the Board there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice provided a quorum is present.

N. Compensation

Board members, as such, may receive for their services compensation as shall be determined by the Association from time to time.

O. Fidelity Bonds

A fidelity bond is a form of protection that covers policyholders for losses that they incur as a result of fraudulent acts by specified individuals. It usually insures a business for losses caused by the dishonest acts of its employees. The Board may require that all officers, agents, and employees of the Association handling or responsible for funds furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the Association.

10. Officers of the Association and Board

The principal officers of the Association and board shall be a President, Vice-president, Secretary, and Treasurer, all of whom shall be elected by the Board. The Board may appoint other officers as in its judgment may be necessary. All officers shall be members of the Association. Two or more officers may be held by the same person, with the exception of the President, who shall not hold any other office.

A. Election of Officers

The officers of the Association and Board shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the discretion of the Board.

B. Removal of Officers

The officers shall hold office until their respective successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the whole Board. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the majority vote of the Board. In case of a tie vote, the Board shall ask the most recent Board member still in residence at Harrodsburg Square to cast the deciding vote.



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C. Principal Officers

1) President

The President shall be the chief executive officer; he shall preside at meetings of the Association and the Board and shall be an ex-officio member of all committees; he shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Board and Association are carried into effect.

2) Vice President

The Vice-president shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board shall prescribe. If neither the President nor the Vice-president is able to act, the Board shall appoint a member of the Board to do so on an interim basis.

3) Secretary

The Secretary shall attend all sessions of the Board and all meetings of the Association and record all votes and the minutes of all proceedings and shall perform like duties for the committees when required. He shall give notice of all meetings of the Association, the Board, and committees and shall perform such other duties as may be prescribed by the Board or President. The Secretary shall compile and keep up to date at the Office a complete list of the Co-Owners and their last known post office addresses. The Secretary shall also keep current the records of the Association, containing the minutes of all annual and special meetings of the Association and all sessions of the Board including resolutions adopted thereat.

4) Treasurer

The Treasurer shall have custody (or oversight) of all funds and securities and shall keep full and accurate records of receipts and disbursements and shall deposit all monies and other valuable effects in such depositories as may be designated by the Board. He shall disburse funds as ordered by the Board, keeping proper records of such disbursements, and shall render to the Board, at regular Board meetings, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Association.

If required by the Board, he shall give a bond, the premium to be considered a common expenses, in such sum, and with such surety or sureties as shall be satisfactory to the Board, for the faithful performance of the duties of his office and for the restoration, in case of his death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in his possession or under his control.

D. Assignment of Duties

The duties of Board officers may be assigned to a paid Manager or other appropriate staff personnel.

E. Indemnification

Every Board member, Association officer, and staff member shall be indemnified by the Association against all expenses and liabilities including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Board member, Association officer, or staff member at the time such expenses are incurred, except in such cases wherein he is adjudged guilty of willful misfeasance, malfeasance, or conflict of interest in the performance of his duties; provided that, in the event of a settlement, the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being for the best interests of the



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Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which each Board member, Association officer, or staff member may be entitled.

11. Restrictions on Governing Bodies

Unless at least two-thirds of the Co-Owners have given their prior written approval, except as provided by Statute, in case of condemnation, or substantial loss to the Property, the Association or Board shall not be entitled:

- 1) to change the prorate interest (Undivided Percentage Interest) or obligations of any Unit for the purpose of levying assessments or charges or allocating distributions of insurance proceeds, or determining the prorate share of ownership of each Co-Owner in the General and Restricted Common Property;**
- 2) to partition or subdivide any Unit;**
- 3) To by act or omission seek to abandon, partition, subdivide, encumber, see or transfer the General and Restricted Common Property (The granting of easements for public utilities or for other public purposes consistent with the intended use of General and Restricted Common Property by the Community shall not be deemed a transfer within the meaning of this clause.);**
- 4) to use insurance proceeds for losses to any of the Property (whether to Units or to General or Restricted Common Property) for other than the repair, replacement, or reconstruction of the Property.**

12. Insurance (Co-Owners' Insurance Responsibilities)

A. Liability Coverage Needed by Co-Owners

Co-Owners and their tenants are advised to carry adequate personal liability insurance. By the act of becoming a Unit Co-Owner such Co-Owner agrees to hold the Association and the Board harmless in cases of liability wherein the Co-Owner is at fault.

B. Property Coverage Needed by Co-Owners

Co-Owners and/or their tenants/lessees are also advised to carry adequate property insurance to cover loss or damage to personal property. Such insurance should contain a replacement cost coverage endorsement and should cover all Unit contents except those items specifically covered by the Association's insurance (listed below). Items covered by the Co-Owner's property insurance should include carpeting, floor coverings, window coverings, wall coverings, all appliances, built-in furnishings and shelving (including kitchen and bathroom cabinetry), mirrors, all light fixtures, special doors; the HVAC air-handling mechanism (aka fan-coil unit); any additions, changes, or modifications to the original Unit plans; any improvements to the Unit made or acquired at the Unit Co-Owner's expense; and personal property and furnishings.

C. Loss-Assessment Insurance

Co-Owners may wish to purchase Loss-Assessment Insurance, see Paragraph 14, Sub Paragraph H.



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D. Special Consideration

A Co-Owner's individual insurance coverage shall not diminish the liability of the insurance carrier with whom contracts of insurance have been made by the Board on behalf of all Co-Owners. No Co-Owner shall maintain insurance coverage which will decrease the amount that the Association may realize under any insurance policy it may have in force.

13. Association's Insurance Responsibility

The Board shall obtain and maintain for the Association property and liability insurance on the Property and the Association under such terms and for such amounts as shall be deemed necessary by the Board, but in no event less than the amount required by this Article. The insurance premiums paid by the Board shall be charged as items of Common Expense. Such insurance coverage shall provide for the issuance of certificates of insurance and mortgage endorsements to all Co-Owners and mortgagees of Units.

A. Liability Coverage by the Association

The Association shall be insured under a comprehensive general liability policy for personal injury and property damage in amounts not less than \$1,000,000 general aggregate, \$1,000,000 per accident or occurrence, \$1,000,000 per person, \$1,000,000 per claim for property damage, \$50,000 per any one fire, and \$5,000 per person for medical expense. All liability insurance shall cover liabilities of the Association as a group, the Board, and their agents.

B. Property Coverage by the Association

The Association shall acquire property insurance to the extent available, against sudden and unforeseeable damage to the General and Restricted Common Property in a minimum amount equal to the maximum insurable replacement value (100% of replacement cost) thereof, exclusive of excavations and foundations, as determined annually by the Board with assistance of the insurance company affording the coverage.

In addition to the insurance on the General and Restricted Common Property, the Association's insurance shall also cover replacement, in case of sudden and unforeseeable loss, of the following items in the Units which are the property of the Unit Co-Owner: interior partition walls, drywall, paint, interior and exterior doors, windows, sub-grade plumbing, stairs, electrical wiring, electrical outlets/receptacles, electrical distribution box (aka breaker box), and heating and air conditioning duct work connected to the central system. All of these items shall be of the same type or quality as the original items in the Unit. The Association's insurance shall not cover the items listed under "Property Coverage Needed by Co-Owners" (Paragraph 12, Subparagraph B) that should be insured by the Unit Co-Owner.

The items listed in the above paragraph (belonging to the Units) are to be maintained and/or replaced by the Unit Co-Owner as needed (if damaged by normal wear or negligence) even though the Association's insurance coverage may replace such items in case of a sudden and unforeseeable loss.

In case of damage resulting from a Co-Owner's failure to maintain or repair his Unit and/or the property and equipment within his Unit, whether such damage is caused by negligence on the part of the Co-Owner or malfunction of his property or equipment, if the damage is covered by the Association's insurance, the Co-Owner is responsible for the deductible amount of the Association's insurance. Any damage to the Property caused by a Co-Owner or his tenants or guests that is not covered by the Association's insurance shall be paid for by the Co-Owner responsible for such damage.



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C. Workmen’s Compensation

The Board shall obtain workmen’s compensation insurance where necessary to meet the requirements of law.

D. Additional Insurance

In addition to the foregoing, the Board shall obtain such additional insurance coverage as it may in its sole discretion deem advisable and appropriate, taking into consideration inflationary factors and other changes in value.

E. Insurance Provisions

Any insurance obtained by the Association pursuant to the requirements of this Article shall be subject to the following provisions:

- 1) **All policies shall be written with a company or companies licensed to do business in the Commonwealth of Kentucky and holding a rating of “A” or better in Best’s Insurance Guide.**
- 2) **All policies shall contain a waiver of subrogation by the insurer as to any and all claims against the Co-Owners, the Association, the Board, the Manager, and their agents, employees, or invitees.**
- 3) **All insurance purchased by the Board shall be for the benefit of the Association, each Co-Owner, and his mortgage, as their respective interests may appear, and shall provide for insurance proceeds covering any loss in excess of \$30,000 to be payable to the Insurance Trustee (see Paragraph G) for the benefit of each Co-Owner and his mortgagee according to his Individual Percentage Interest in the Property and his individual interest in any subject Units, except that any such proceeds amounting to \$30,000 or less shall be payable to the Association for disbursement.**
- 4) **In cases of double coverage by the Association and Co-Owners or tenants, the Association’s policy is primary and the Co-Owner’s or tenant’s policy is secondary.**

14. Procedures Following Property Loss

If any part of the Property is damaged or destroyed, the determination of whether or not to reconstruct or repair the same and the procedures for actions to be taken shall be as follows:

A. Determination of Damage

In case of a major loss, the Board and the insurance carrier will select an insurance adjustor to determine the extent of the damage.

B. Partial Destruction

Where there is partial destruction, which shall be deemed to mean destruction which renders less than two-thirds of the Units of the Property unfit for occupation, there shall be compulsory reconstruction or repair.

C. Total Destruction

Where there is total destruction, which shall be deemed to mean destruction which renders more than two-thirds of the Units of the Property unfit for occupation, reconstruction or repair shall not be compulsory unless at a meeting which shall be called within 90 days after the occurrence of the destruction, or, if by such date, the insurance loss has not been finally adjusted, then within 30 days thereafter, two-thirds of the Co-Owners vote in favor of such reconstruction or repair.



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D. Reconstruction Agents

When repair or reconstruction is needed, the Board shall hire a contractor to arrange and supervise the work. The Board may also hire a private adjustor, whose fees would be paid by the Association, to oversee the performance of the contractor.

E. Reconstruction Plans and Specifications

Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications under which the buildings were originally constructed and paid for with the proceeds of insurance available for that purpose.

F. Reconstruction Encroachments

Encroachments upon or in favor of the Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for action by the Co-Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the plans and specifications under which the buildings were originally constructed. Such encroachments shall be allowed to continue in existence for so long as the buildings stand.

G. Insurance Trustee

In case of loss in excess of \$30,000, the Board shall designate a person, corporation, bank, or other legal entity to act as the Insurance Trustee. The Insurance Trustee designated shall be bonded and at the time of designation shall first acknowledge to the Board that any insurance proceeds will be held and disbursed in accordance with the terms of these By-laws. In the event the Board is unable to obtain the services of an Insurance Trustee, then the Board shall assume the duties and responsibilities of the Insurance Trustee as hereinafter set forth. The Board shall use its best efforts to designate, and determine the compensation for, an Insurance Trustee.

1) Insurance Trustee Duties

The sold duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein, and for the benefits of the Association and the Co-Owners and their respective mortgagees, in shares equal to the aforementioned Individual Percentage Interest of each Co-Owner. The Insurance Trustee shall not have any obligation to inspect the property to determine whether a loss has been sustained or to file any claim or claims against any insurer or any other person.

2) Certification to the Insurance Trustee for Reconstruction

The Insurance Trustee may rely upon a certificate of the Association or Board which certifies whether or not the damaged property is to be reconstructed or repaired. The Association or Board upon request of the Insurance Trustee shall deliver such certificate as soon as practicable.

3) Certification to the Insurance Trustee for Distributions

In making distributions to Co-Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association as to the names of the Co-Owners and their respective shares of the distribution. Upon the request of the Insurance Trustee, the Association or Board shall deliver such certificate forthwith.

Any and all disbursements of funds, whether such funds consist of insurance proceeds, special assessments, sales proceeds, or any combination thereof, to be made by the Insurance Trustee for any purpose whatsoever, shall be made pursuant to and in accordance with such certificate of the Association. The Insurance Trustee shall not incur any liability to any Co-Owner, mortgagee or other person for any disbursements made by it pursuant to and in accordance with any such certificates or written authorizations.



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4) Priorities for Distribution by the Insurance Trustee

Proceeds of insurance policies received by the Insurance Trustee shall be distributed to and for the benefit of the Co-Owner entitled thereto, after first paying or making provision for the payment of the expenses of the Insurance Trustee, in the following manner:

- a) Proceeds are to be paid first to repair or restore damage or destruction as elsewhere provided herein. After defraying the cost of the repair or restoration, all remaining proceeds shall be payable jointly to the Co-Owners and mortgagees, if any, entitled thereto. This covenant is for the benefit of any mortgagees and may be enforced by them.
- b) If it is determined that the damage for which the proceeds are paid shall not be repaired or reconstructed, the project shall be deemed to be owned in common by the Co-Owners and shall be subject to an action for partition upon the suit of any Co-Owner or mortgage, in which event the net proceeds of sale together with the net proceeds of any insurance shall be distributed pro rata to the Co-Owners after first paying off, out of the respective share of each Co-Owner, to the extent sufficient for that purpose, all liens, including mortgage liens, on the Unit of each Co-Owner. This is a covenant for the benefit of any mortgagees and may be enforced by them.

H. Assessments if Insurance is Inadequate

Immediately after a casualty causing damage to Property for which the Association has the responsibility of upkeep and repair the Board shall obtain reliable and detailed estimates of the cost to place the damaged Property in as good a condition as it was before the casualty. Such costs may include professional fees and premiums for such bonds as the Board desires.

If the insurance proceeds are not sufficient to defray such estimated costs, a special assessment shall be made against all the Co-Owners in proportion to their Individual Percentage Interests in sufficient amounts to provide funds to pay the estimated costs. If at any time during reconstruction and repair, or upon completion of reconstruction or repair, the funds for the payment of the costs thereof are insufficient amounts to provide funds for the payment of such costs. Co-Owners may wish to obtain Loss-Assessment Insurance at their own expense to cover this contingency.

I. In Case of a Ruling of Eminent Domain

Upon the withdrawal of any Unit or portion thereof due to eminent domain, the percentage of interest in the Common Property appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on a basis of the percentage of interest of each remaining Unit or portion of a remaining Unit as set forth in the Master Deed. If only a portion of the Unit is withdrawn, the percentage of the interest appurtenant to that Unit shall be reduced accordingly, upon the basis of the ratio the remaining square footage of the Unit bears to the total remaining square footage in the Units on the Property, as determined by the Association or Board.

The allocation of any condemnation award or other proceeds to any withdrawing or remaining Co-Owner, after paying off any mortgage lien on the Unit of the Co-Owner, shall be on an equitable basis, with the withdrawing Unit to receive the award for that Unit and its percentage of any award for the taking of any General Common Property as determined by its percentage interest therein. Any condemnation award or other proceeds available



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in connection with the withdrawal of any portion of the Unit Co-Owner's percentage interest therein, after paying off any mortgage liens on the Unit of the Co-Owner. Proceeds available from the withdrawal of any Restricted Common Property will be distributed in accordance with the interest of those entitled to each Co-Owner entitled to the use of said Restricted Common Property.

Adopted by: Harrodsburg Square Condominium Association
Date: December, 2008

Tom Bertrand, President

15. Appendix A - Definitions

ASSESSMENT FEES: The charges levied against all Units in accordance with their Individual Percentage Interests to provide for the Common Expenses as described on Paragraph 7, Subparagraph B.

ASSOCIATION: Harrodsburg Square Condominium Association of Co-Owners, in which every Co-Owner is automatically a member.

BOARD: The Board of Administration of Harrodsburg Square Condominiums which is elected by the Association.

COMMON EXPENSES: The expenses of administrating the Association and operating and maintaining the General and Restricted Common Property and for which all Co-Owners are proportionately responsible.

CO-OWNER: A person, corporation, trust or any other legal entity, or any combination thereof, which obtains a property right in one or more of the 166 Units and an undivided interest (Co-Ownership) in the General and Restricted Common Property.

LESSEE: A Tenant or Renter who holds property rights under a lease.

LESSOR: The Co-Owner who conveys property by lease.

MASTER DEED: That certain Master Deed and Declaration to which these ByLaws are appended, made the 18th day of December 1979 by Miracon, a Kentucky General Partnership, for the purpose of submitting the property described therein to the Horizontal Property Law of Kentucky.

MORTGAGE: The term "mortgage" includes any vendor's lien, mortgage, or other security interest recorded in the land records of the Lexington-Fayette County Clerk's Office.



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MORTGAGEE: As used in these ByLaws and the Master Deed, the term “mortgagee” includes the holder of a note secured by a mortgage or other security interest encumbering a Unit that is of record in the Lexington-Fayette County Clerk’s Office.

PROPERTY: The acreage owned by Harrodsburg Square Condominiums, including the buildings, improvements, and equipment thereon, as well as all easements, rights of way and appurtenances thereunto belonging all of which are described in full in the Master Deed.

RULES: Rules adopted by the Board from time to time governing the actions of persons using the Property and enforced by the Master Deed and these ByLaws (see Appendix B).

UNIT: One of the 166 condominiums at Harrodsburg Square.

UNIT PERCENTAGE INTEREST: A percentage of ownership each Co-Owner is assigned based on the layout and square footage of their condominium.

Note: Unless it is plainly evident from the context that a different meaning is intended, all other terms used herein shall have the same meaning as they have in the Horizontal Property Law of Kentucky and the Master Deed.



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16. Appendix B – Harrodsburg Square Condominium Rules

ALTERATIONS: Structural alterations are forbidden. See ByLaws, Paragraph 5, Subparagraph A.

CLUBHOUSE USE: Clubhouse facilities may be used by Co-Owners and their guests only and shall be affected on a reservation basis.

COMPLAINTS AND REQUESTS: Complaints and requests regarding management of the Property or actions of other Co-Owners shall be made in writing through the Manager's office.

ENTRYWAY USE: A resident shall not place nor allow to be placed in the common hallways, entryways, walkways, parking lot, or other common area any bicycles, strollers, toys, footwear, umbrellas, furniture, packages, or objects of any kind. Such items must be placed on a patio or balcony to which the resident has sole access. The fire code directs that public walkways shall be used for no purpose other than normal transit through them.

FILTERS: To encourage efficient operation of individual air-handling units, the Association provides replacement filters free of charge. These may be obtained at the Office and should be changed at least twice a year. It is recommended that air-handling units be professionally cleaned and serviced periodically.

FIRE PREVENTION: All Units must have functioning smoke alarms and fire extinguishers. Fire extinguishers must be placed within reach of any charcoal grill when the grill is in use. Lighted cigarettes may not be discarded in the entryways or patios.

FREEZE WARNINGS: When the "drip sign" is up in front of the Clubhouse, please leave all hot and cold water faucets dripping day and night to prevent pipes freezing and bursting.

GROUNDS/PLANTINGS: Co-Owners or residents may not cut or remove any plants from the General Common Property or from the perimeter fence rows; nor may they plant vines, shrubs, or trees on the General Common Property without permission from the Board. Yard ornaments, furniture, or flower beds may not be placed outside the ends of the privacy fences, nor where they will hamper lawn mowing.

Flowers and small shrubs may be planted on the Restricted Common Property in enclosed patios and between the ends of the privacy fences of open patios. Such plantings must be maintained by the resident and kept trimmed so as not to touch the buildings or fences. If left unkempt, they will be removed by the Association at the Co-Owner's expense.

INSTALLATIONS: Except as authorized by the Board, no person shall install wiring, antennae, machines, ducts, or pipes which protrude through the walls or the roof of the buildings or are otherwise visible on the exterior of the buildings. (This Rule is also a ByLaw.) No awnings, carpeting, glass, wood, plastic, metal, fabric, or other material may be affixed or placed on the exteriors of the buildings. All balcony or patio blinds



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or sunshades shall be natural-wood color and approved by the Board prior to installation. The Board may approve the installation of insect screens provided they meet agreed upon specifications.

LAUNDRY: No clothing, laundry, rugs, or washing shall be hung from or spread upon or from any patio, window, or exterior portion of a Unit or in or upon any General or Restricted Common Property.

LIGHT FIXTURES: The round plastic light covers are designed for 60-watt bulbs maximum (fluorescent are preferred over incandescent). Replacement of entryway covers (if needed) and bulbs is done by the Association. Replacement of patio and balcony fixtures, fixture bulbs, and fixture covers is the responsibility of the Co-Owner or resident.

MAINTENANCE: Every Co-Owner or resident is responsible for keeping all portions of his Unit and the Restricted Common Property limited to use of this Unit (including any balcony, deck, or patio pertinent to such Unit) free and clear of dirt, leaves, weeds, volunteer trees or shrubs, trash, refuse, boxes, storage, appliances, equipment, furniture (except patio and porch furniture), and ice and snow; and in good order and appearance. (This Rule is also a ByLaw.)

The Co-Owner or tenant of any Unit shall, at his own expense, clean and maintain all windows and doors of his unit including the interior and exterior surfaces of any door leading to any balcony, deck, terrace, or patio appurtenant to his Unit. (This Rule is also a ByLaw).

Repair of the General and Restricted Common Property is the responsibility of the Association. Requests for such repair shall be made in writing (except in cases of emergency) through the Office. If the Association has employed a management company who accepts work orders through phone conversation, voicemail, or electronic mail, Co-Owners may report damage through these means.

NOISE AND NUISANCES: Co-Owners, tenants, and guests shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, television, and amplifiers that may disturb other residents. (This Rule is also a ByLaw.)

No nuisances are allowed on the Property, nor is any use or practice allowed which is unlawful, which is a source of annoyance to the residents, or which interferes with the peaceful possession or property use of the Property by its residents. (This Rule is also a ByLaw.)

PARKING. Due to the limited number of parking spaces on the Property, one parking spot will be assigned to each condo (though the parking lot remains common property). All unmarked parking spots are on a 'first come, first served' basis. All vehicles must be registered with the management company. The Board may assign restricted parking spaces in cases of special need. Vehicles parked in violation of these and the following regulations are subject to a fine and/or towing at the owner's expense.

1. Vehicles are not to be parked in front of the dumpsters at any time.
2. Vehicles must be parked within the lines and may not use more than one parking space.
3. Do not pull vehicles all the way to the curb (forward or backward) to allow for curb trimming and gutter cleaning.
4. No trailer, boat, camper, bus, mobile home, or similar vehicle, or any truck in excess of ¾ ton pick-up truck with an 8 foot bed, or non-mobile accessories, or any other piece of equipment shall be



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parked or permitted to stand within or upon any part of the Property without prior coordination with the Board and Management Company.

5. Any privately owned truck that exceeds the length of painted parking stripes must park at the west end of the 2 building or the south end of the 4 building.
6. No broken down or unsightly vehicles or vehicles with expired tags are allowed on the Property.
7. Mechanical or repair work on vehicles may not be performed on the property.
8. Vehicles may be washed in designated areas only.

PETS: All residents and visitors shall abide by the pet ordinance of Lexington-Fayette County passed by the Board of Commissioners in December 2007. In addition:

1. No animal, other than common household pets, shall be kept or maintained in any Unit.
2. Residents may not keep or take care of more than one pet per Unit at any time.
3. Pets shall not be kept, bred, or maintained for commercial purposes in any Unit.
4. No pet shall be allowed or kept in any Unit or upon the Property which has a weight in excess of 25 pounds.
5. All pets shall be kept clean and healthy and must have current vaccinations from a certified veterinarian.
6. No pet shall be brought into the Clubhouse or pool area.
7. Pets shall not be allowed to bark, howl, or disturb other residents in any manner.
8. No dog may be walked on the Property without being constrained at all times on a leash.
9. Dogs may not urinate on the trees, shrubs, or flowers or defecate on any portion of the General Common Property. Any excrement accidentally emitted by a dog on the Property (including Restricted Property) must be picked up immediately by the dog's owner or keeper, placed in a plastic bag, and put in the trash.
10. Used cat litter should be placed in a plastic bag, tied securely, and put in the trash.
11. Should any pet become a persistent problem to other residents, the Board may rescind the Co-Owner's or tenant/lessee's right to keep the pet. Such right may be terminated by a 10-day written notice.
12. All pets must be registered with the HOA through the Management Company.

PLUMBING EQUIPMENT: Toilets, sinks, and tubs shall not be used for any other purpose other than for those for which they were designed. No trash, sweepings, filters, sanitary napkins, rags, or any other improper articles shall be put into them. It helps keep disposal drains clear to turn hot water through them for one minute once a month. Do not put melon rinds, celery, or onion peelings in the disposal.

Any damage or plumbing repair resulting from misuse shall be paid by the Co-Owner or his tenant. Faulty plumbing fixtures shall be repaired promptly by the Co-Owner at his own expense.

POOL USE: Only Co-Owners, tenants, and their guests may use the pool; they shall obtain a pool key from the Management Company. All persons using the pool do so at their own risk and shall abide by the following Rules:

- 1) **The pool may not be used when the gate is locked with a chain lock.**



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- 2) **All guests and children under age 16 must be accompanied by an adult Co-Owner or tenant at all times.**
- 3) **All Co-Owners using the pool must have a Harrodsburg Square pool key. All guests must be accompanied by a Co-Owner.**
- 4) **No more than four guests per Unit are allowed without permission from the Board.**
- 5) **Diving, unnecessary splashing, and horseplay are not allowed.**
- 6) **Pets are not allowed in the pool area.**
- 7) **Glass bottles or food are not allowed inside the wrought iron fence. Beverages must be in plastic containers or cans.**
- 8) **All trash must be placed in waste receptacles.**
- 9) **All personally-owned property, including lawn chairs and towels, must be removed daily.**

SIGNS: No Co-Owner or tenant of the Property shall post or allow to be posted any advertisements or posters of any kind in or about the Property. The Board may make exceptions to this Rule during the hours of an open house.

TRASH: All household garbage and loose trash, and yard waste from the Restricted Common Property must be placed in plastic bags, tied securely, and placed inside a dumpster. Do not rake or sweep trash onto the General Common Property; put trash in the dumpster. Boxes shall be flattened before disposal.

Bags of trash are not to be left on the ground inside or outside the dumpster enclosures. Bagged trash may not be left in the entranceways at any time.

Cups, cans, bottles, paper, cigarettes, or other trash are not to be dropped on the premises. Car ash trays are not to be emptied onto the grounds.

UTILITIES CONSERVATION: Unit doors or windows may not be left open when individual heating or air-conditioning units are running. Outside lights are to be turned off during the day. Residents shall not waste water. Leaking plumbing fixtures shall be promptly repaired by the Co-Owner.

VEHICLE SERVICE AND REPAIR: Mechanical and repair work on vehicles is not permitted on the Property. Vehicles may be washed only in designated areas.

WATERBEDS: Waterbeds are prohibited except on the ground floors.

WINDOW TREATMENTS: To promote uniformity, all window treatments, including, but not limited to, draperies, blinds, and curtains, must have a white backing.



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17. Appendix C – Grievance Resolution

A. Introduction

The purpose of this appendix is to communicate the recommended method of resolving complaints Co-Owners / renters residing at Harrodsburg Square Condominiums have about other Co-Owners / renters. These procedures do not apply to general complaints about the community, the buildings, the common areas, or the overall management of the property. Those types of general complaints should be lodged at Board meetings, Annual meetings, directly to the contracted property management team, or directly to Board members.

B. Background

As residents in a condominium community, Co-Owners and renters accept the fact there are many areas and resources that are common property. Common property includes, but is not limited to, the parking lot, garbage receptacles, entry / breeze ways, the clubhouse, the pool, stairwells, and the grassy areas throughout the community. Additionally, although the inside of each condominium is private, residents must consider there are other residents on the other side of most walls within the community and many floors are directly above their neighbor's ceiling. Similarly, due to the physical layout of the ten buildings, residents often find themselves side-by-side or face-to-face when enjoying the open air afforded by the numerous individual balconies throughout the community. Therefore, more so than residents in single family dwellings, Harrodsburg Square residents must pay particular attention to their surroundings as they conduct their day-to-day activities because in the close confines of the 166-unit condominium community, negligent behavior may infringe on neighbors' privacy, quality of life, and overall rights as a resident (Co-Owner or renter).

C. Safety First

The greatest asset of Harrodsburg Square is the people that make up the community. Therefore a core principle of the Harrodsburg Square Home Owners Association Board of Directors (The Board) and the home owners they serve is the physical well being of all residents. For this reason, if at any time there is a condition or situation threatening the safety of a resident, the local law enforcement authorities should be contacted immediately.

D. Resolving Grievances (The Four A's)

The following paragraphs describe the guidelines for resolving a grievance among Harrodsburg Square residents. For ease of memory each of the four paragraph headings begins with the letter 'A' (Assess, Approach, Advise, and Accept):

1) Assess the Grievance

No resident is perfect and most of us overlook our manners from time-to-time. All Co-Owners / renters should consider this fact prior to approaching a neighbor or lodging a complaint with local authorities or The Board. In other words, if at all possible give your neighbors a second chance after they have done something you feel is in violation of common courtesy or clearly violates the community's written By Laws. If the same problem persists, then it is time to pursue another course of action.

2) Approach Your Neighbor

Harrodsburg Square is made up of diverse cultures and personalities. This situation fosters varying opinions of courtesy and manners. Additionally, many residents are not familiar with the community's By Laws.



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Therefore, when a resident's action causes tension among his neighbors, there is a distinct possibility that the resident is doing so unknowingly. Under this circumstance, a friendly discussion may resolve the problem before the tension leads to anger or dissention. If approaching your neighbor does not resolve the problem, then it is time to escalate the issue.

3) Advise the Board

If approaching your neighbor does not resolve your grievance, notify the current Management Company and Board of Directors through written correspondence. Using email or a hand-written / typed note, describe the situation and include dates, times, attempted resolution activities, and anything else you feel is pertinent. The Board will discuss the situation and, depending on the situation, may take several courses of action. For example, they may choose to contact the resident in question to discuss the issue. Or they may ask the resident who reported the issue to produce more facts or provide more information. Once the Board feels they have enough facts to propose a resolution, they will notify all concerned parties through both written and verbal correspondence.

4) Accept Constraints

Although the Harrodsburg Square Board members are elected by the community's Co-Owners, their authority over disputes among neighbors is limited to situations where there is an obvious violation of the By Laws. For example, if a resident consistently accumulates trash outside his door, the Board can explicitly refer the resident to the By Laws and demand compliance. However, other situations are more subjective / vague. The most common example is noise violations. What seems loud to one resident may not bother another and a Board member is not authorized or qualified to assess the situation and pass judgment. Because The Board operates under these constraints, residents who report complaints must understand that in some cases the Board will advise them to contact local authorities in order to obtain a professional and unbiased assessment. In these situations the Board will remain in contact with all involved residents as well as the local authorities until the issue is resolved.