

BY-LAWS OF THE COUNCIL OF CO-OWNERS

of

Pinehurst Green

The following By-Laws shall apply to the above-named condominium regime (herein called the "Regime"), located in Jefferson County, Kentucky, as described in and created by Master Deed for Pinehurst Green (herein called the "Master Deed") recorded in the Office of the County Clerk of Jefferson County, Kentucky as same may be amended from time to time and to all present and future owners, tenants and occupants of any units of the Regime and all other persons who shall at any time use the Regime.

ARTICLE I

Membership.

Section 1. Qualifications. All owners of units of the Regime shall constitute the Council of Co-Owners, herein called "Council". The administration of the Regime shall be vested in the Council and shall also be known as Pinehurst Green Council of Co-Owners (which may hereafter be referred to as "Council"). The owner of any unit upon acquiring title thereto shall automatically become a member of the Council and shall remain a member thereof until such time as his ownership of such unit ceases for any reason, at which time his membership in the Council shall automatically cease.

Section 2. Place of Meetings. Meetings of the Council shall be held in Jefferson County at a place convenient to the unit owners as designated by the Board of Administration.

Section 3. Annual Meetings. Annual meetings of the Council shall be held on the first Monday in June of each year unless a different time is chosen by the Board of Administration.

Section 4. Special Meetings. Special meetings of the Council may be held at any time upon the call of the President or a petition signed by at least twenty-five percent (25%) of the unit owners and presented to the Secretary following surrender of Developer's control.

Section 5. Notice of Meetings. The Secretary shall give written or printed notice of each annual and special meeting to every unit owner according to the Council's record of ownership at least five days before the date set for such meeting, stating whether it is an annual or special meeting, the authority for the call thereof, the place, day and hour of such meeting and the purpose therefor, in any of the following ways: (a) by delivering it to him personally, or (b) by leaving it at his unit in the Regime or at his usual residence or place of business, or (c) by mailing it, postage prepaid, addressed to him at his address as it appears on the Council's record of ownership. If notice is given pursuant to the provisions of this section, the failure of any unit owner to receive actual notice of any meeting shall in no way invalidate such meeting or any actions taken. The presence of any unit owner in person or by proxy at any meeting shall be deemed a waiver of any required notice to such owner unless he shall at the opening thereof object to the holding of such meeting because of the failure to give notice in accordance with the provisions hereof.

Section 6. Quorum. The presence at any meeting in person or by proxy of thirty-three percent (33%) of the percentage interests of the unit owners shall constitute a quorum, and except for removal of officers or directors and amendments to the Master Deed or these By-Laws, the acts of a majority of the unit owners present, in person or by proxy, at any meeting at which a quorum is present shall be the acts of the Council.

Section 7. Voting. Each unit shall be entitled to a vote equal to its percentage interest as set forth in the Master Deed. Except for the Developer, only Unit Owners whose assessments and other obligations to the Association then have been paid in full shall be qualified to vote. Votes may be cast in person or by written proxy by the respective qualified Unit Owners as shown in the record of ownership of the Council. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Council the vote for any unit owned or controlled by him in such capacity, whether or not the same shall have been transferred to his name in the Council's record in ownership, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such unit in such capacity. If there is more than one Owner of a unit, only one of the Owners will be permitted to vote on matters before the Council. However, the vote or the signature as the case may be, of one Owner per unit will be sufficient to cast the vote for all of the Owners of that unit without the necessity of obtaining a proxy or other authorization. If the owners of a unit disagree as to the unit's vote and such disagreement is make known to the Board of Directors, then such owners shall each be permitted to cast a fractional vote corresponding

to their respective ownership interest in the unit. In the event that a unit is owned in joint tenancy or tenancy by the entirety and in the event that the joint tenants disagree as to the manner of their vote and such disagreement is made known to the Board of Directors, the joint owners shall each be permitted to cast a one-half fractional vote.

Section 8. Proxies and Pledges. The authority given by any unit owner to another person to represent him at meetings of the Council shall be in writing, signed by such owner and filed with the Secretary at the commencement of any meeting in which the vote of the proxy shall be exercised. A new proxy needs to be submitted prior to each meeting in which it will be exercised. Such authority shall be revoked by the death or mental incapacity of such owner. Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale or lease of any unit or interest therein, a true copy of which is filed with the Board through the Secretary shall be exercised only by the person designated in such instrument until the written notice of release or other termination thereof is filed with the Board in like manner.

Section 9. Adjournment. Any meeting of the Council may be adjourned from time-to-time to such place and time as may be determined by majority vote of the unit owners present, whether or not a quorum is present, without notice other than the announcement at such meeting. At any such adjourned meeting a quorum must be present for any business to be transacted by the Council.

ARTICLE II

Board of Administration.

Section 1. Number and Qualifications. The affairs of the Council and the Regime shall be governed by a Board of Administration (herein referred to as the "Board") composed of five(5) members as a Director or Member of the Board. If there is more than one Owner of a unit only one of the Owners will be permitted to serve on the Board of Directors at any given time. The Board members shall serve without compensation unless otherwise authorized by the Council of Co-Owners.

Section 2. Powers. The Board shall have all powers necessary for the administration of the affairs of the Council and may do all such acts and things therefor as are not by law, the Master Deed, these By-Laws or Rules and Regulations of the Regime directed to be exercised or done only by the Unit Owners. The Officers and Directors of the Board shall each have one vote in matters coming before the Board and they shall also be in the respective officers and Directors of Pinehurst Green Council of Co-Owners, if same is at any later date incorporated as a non-profit Kentucky Corporation.

Section 3. Election and Term. Election of Board members shall be by secret ballot at annual meetings and any special meetings called for the purpose. The Owner of each unit entitled to vote at such election shall have the right to cast, in person or by proxy, one vote for each unit owned by him for Board members to be elected at such election. All nominations shall require the owners of at least two (2) units and shall be submitted to the Secretary at least ten (10) days before said election. Likewise, nominations may be made from the floor at all annual meetings and require the Owners of at least two units. Members of the Board of Directors shall hold office for a period of two years and until their respective successors have been elected, with the exception of three (3) of the Directors elected at the first annual meeting, who shall hold office for a term of one year in accordance with the provisions of the Master Deed. Board Members shall be subject to removal as herein provided.

Section 4. Vacancies. Vacancies in the Board of Administration caused for any reason shall be filled by vote of a majority of the remaining directors, even though they may constitute less than a quorum and each person so elected shall serve out the term of the director whom he replaced. Death, incapacity or resignation of any director, or his continuous absence from the State of Kentucky for more than six (6) months shall cause his office to become vacant.

Section 5. Removal of Board Members. At any regular or at a special meeting of the Council duly called, any one or more of the directors may be removed with or without cause by vote of two thirds of the Unit Owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at such meeting.

Section 6. Annual Meeting. An organizational meeting of the Board of Administration may be held at the place of and immediately following each annual meeting of the Council, and no notice shall be necessary to any Board members in order validly to constitute such meeting, provided that a majority of the whole Board shall be present. At such meeting, the Board shall elect the Officers of the Council for the ensuing year.

Section 7. Regular Meetings. Regular meetings of the Board of Administration may be held at such time and place as shall be determined from time to time by a majority of the Board members, but at least one such meeting shall be held during each calendar quarter of every year. Notice of regular meetings of the Board shall be given to each Board member personally or by mail, telephone or telegraph, at least two (2) days prior to the date of such meeting.

Section 8. Special Meetings. Special meetings of the Board of Administration may be called by the President on at least seven (7) days' notice to each Board member, given personally or by telephone or telegraph, which notice shall state the time, place and purpose of such meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and with like notice on the written request of at least two Board members.

Section 9. Waiver of Notice. Before or at any meeting of the Board of Administration, any Board 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 Board member at any meeting of the Board shall be waiver of notice to him of such meeting. If all the Board members are present at any meeting of the board, no notice thereof shall be required, and any business may be transacted at such meeting.

Section 10. Quorum of Board. At all meetings of the Board of Administration, a majority of the total members of the Board shall constitute a quorum for the transaction of business, and the acts of a majority present at any meeting at which a quorum is present shall be the Acts of the Board. If less than a quorum shall be present at any meeting of the Board, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Fidelity Bonds. The board of Administration may require that any officer, employee or agent of the Council handling or responsible for its funds, shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Council.

ARTICLE III

Officers

Section 1. Designation. The Officers of the Association shall be a President, Vice President President, Secretary and Treasurer provided the offices of Vice President and Secretary may be combined into one office to be held by one person.

Section 2. Election and Term. All officers of the Association shall be elected by a majority vote of the Board of Directors from among its members and shall hold office until the following annual meeting unless sooner relieved of their duties in accordance with the provisions contained within these By-Laws.

Section 3. Removal. Any officer may be removed either with or without cause by a two-thirds majority vote of the Board of Administration and his successor elected at any regular meeting or special meeting of the Board.

Section 4. President and Vice President. The President shall be chief executive officer of the Council of Co-Owners and shall preside at all meetings of the Council and the Board of Administration. Subject to the control of the Board, he shall exercise general supervision and direction over the management and conduct of the business and affairs of the Council. He shall also have such other powers and duties as may be provided by these By-Laws or assigned to him from time to time by the Board. The Vice President shall so serve in the absence of the President, and shall also perform such other duties as may be assigned by the Board or the President.

Section 5. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Council and of the Board of Administration, give all notices thereof as provided by these By Laws, maintain and keep a continuous and accurate record of ownership of all units, have charge of such books, documents and records of the council as the Board may direct, and shall also perform such other duties as may be assigned by the Board of the President.

Section 6. Treasurer. The Treasurer shall maintain and keep the financial records and books of account of the council, prepare regular reports thereof, be responsible for the proper deposit and custody, in the name of the Council, of all its funds and securities, and shall also perform such other duties as may be assigned by the Board of the President.

Section 7. Auditor. The Board shall appoint annually an accountant or accounting firm as auditor, who shall not be an Officer of the Council nor own any interest in any unit, to audit the books and financial records of the Council.

ARTICLE IV

Administration

Section 1. Management. The Board of Administration shall at all times manage and operate the Regime and have such powers and duties as may be necessary or proper therefor, including without limitation, the following:

- (a) The supervision of the immediate management and operation of the Regime;
- (b) The use, maintenance and repair of the Regime;
- (c) Inspection, maintenance, repair, replacement and restoration of the Common Elements and any additions and alterations thereto;
- (d) The cleanliness and sanitary condition of the Regime including grass cutting and snow removal of the primary roadway;
- (e) Purchase, maintenance and replacement of any equipment and provide for all water and utility services required for the Common Elements;
- (f) Provisions at each unit of all water, sewer, electricity and such other utility services and utilities as the Board shall deem necessary either at the expense of such unit or as a common expense as determined by the Board;
- (g) Employment, supervision and dismissal of such personnel as may be necessary for the maintenance and operation of the Regime;
- (h) Preparation at least sixty (60) days before each fiscal year of a proposed budget and schedule of assessments for such year;
- (i) Levy and collect appropriate assessments and monthly maintenance fees for the operation of the Project and payment of all common expenses authorized by the Board: All funds shall be deposited with a federally insured institution;
- (j) Maintenance of a separate account for a reserve and capital replacement fund to be used for substantially repairing, replacing or erecting major capital improvements of or upon the Common Elements, all withdrawals therefrom requiring two signatures;

(k) Purchase and maintain in effect all policies of hazard and liability insurance for the Regime required by the Master Deed, which insurance shall cover the unfinished interior walls of each unit, and such other insurance and bonds as may be required or authorized by the Master Deed or the Council or the Board.

(l) Contract with any persons, corporations or other entities to provide services to the Regime, provided no such contracts (other than insurance contracts and management agreements) shall be made which may not be terminate upon ninety (90) days written notice or upon thirty (30) days written notice for cause;

(m) Notification to all persons having any interest in any unit, according to the Council's record of ownership, of delinquency exceeding 30 days in payment of any assessment against such unit;

(n) Assignment and supervision of motor vehicle parking including the authority to make reasonable rules, fines and charges in regard thereto;

(o) Supervision of the use of the Common Elements;

(p) Maintenance of the Regime as a first-class condominium project and the adoption of any Rules and Regulations deemed necessary to provide for the beneficial, proper and harmonious use and conduct of the Regime:

(q) Enforcement of the terms of these By-Laws, the Master Deed and Rules and Regulations;

(r) The Board shall, subject to the approval of a majority of the Council of Co-Owners, each year estimate the common expenses of the Regime for the next year. Thereupon it shall determine the portion of such common expenses attributable to each Unit and proceed to levy and collect from each unit Owner one twelfth of such amount monthly. Should no such determination be formally made for any year the monthly assessments for each Unit for the previous year shall be levied and remain in effect until changed by the Board with the approval of a majority of the Council of Co-Owners. As used herein "year" shall mean fiscal year, the first day of which shall commence the first day of the first month after transfer by Developer of its administration of the Regime to the Council of Co-Owners.

Section 2. Managing Agent. The Board of Administration may employ a professional Managing Agent or Administrator to handle the operation of the Regime subject at all times to direction by the Board, with all the administrative functions set forth specifically in preceding Section 1, and such other powers and duties, and at such compensation as the Board may establish. The management agreement must be terminable for cause upon 30 days notice and run for a reasonable period of time of not more than one year provided further that any management contract negotiated by Developer prior to its relinquishment of control shall not exceed one year. Any management contracts negotiated by the Board may be renewable by consent of the Board and management.

Section 3. Representation. The President or Managing Agent, subject to the direction of the Board of Administration, shall represent the Council or any two or more Unit Owners similarly situated as a class in any legal proceeding affecting the Council, the Common Elements or more than one unit, and may participate in such proceedings without limiting the rights of any Unit Owners to participate individually.

Section 4. Execution of Instruments. All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Council by such person or persons as shall be provided by general or special resolution of the Board of Administration or, in the absence of any such resolution applicable to such instrument, by the President or Treasurer, except that those accounts or certificates in which the reserve and capital replacement funds are deposited shall require two signatures for withdrawal.

ARTICLE V

Obligations of Unit Owners.

Section 1. Assessments. Except for the Developer [whose obligation to pay maintenance fees are governed by Section J (2) of the Master Deed] all unit owners shall pay to the Board of Administration, or if a Managing Agent is appointed, to the Managing Agent, in advance, on the first day of each and every

month the monthly assessments against their respective units for common expenses of the Project in accordance with the Master Deed. The assessment is delinquent if not received on or before the fifth day of the month that it is due. In the event any Unit Owner is delinquent in the payment of any monthly assessment for a period in excess of ten (10) days, a late charge equal to fifteen percent of the delinquent assessment shall become due and payable and interest shall thereafter accrue at the rate of one and one-half (1-1/2%) per month unit paid. In addition, the Board may, from time to time, post in a conspicuous place upon the Common Elements the names of such delinquent Unit Owners and the delinquent amounts.

Section 2. Maintenance of Units. It shall be the duty of every Unit Owner to repair and replace at the owner's expense, all portions within his unit including, but not limited to, water, sewer, telephone and electric lines, cable television, painting, carpeting, papering, plastering, appliances and fixtures, including plumbing fixtures, and heating and air-conditioning equipment, smoke alarms and security systems, except as otherwise provided by law or the Master Deed. All pipes and ducts for heating and air conditioning, screen doors and windows, storm doors, window sashes and glass and any and all other equipment or improvements serving only one particular unit shall be maintained, repaired or replaced at the expense of that Unit Owner although located in a General or Limited Common Area. The Unit Owner shall be liable for any loss or damage whatsoever caused by his failure to perform any such work diligently, and, in case of such failure after reasonable notice to perform, shall reimburse to the Council promptly on demand all expenses incurred by it in performing any such work authorized by the Board of Administration or the Managing Agent. In addition, each Unit Owner shall keep clean all windows, Florida rooms and patios. In particular, the screened porch shall at all times be kept clean and uncluttered and not used as a storage area for anything other than patio furniture or equipment. Every Unit Owner and occupant shall reimburse the Council promptly on demand for all expenses incurred by the Council in repairing or replacing any loss or damage to the Common Elements, where caused by such owner or occupant or by their guests or members of their households, or incurred for cleaning or repairing appurtenant limited Common Elements. They shall give prompt notice to the Board of Administration or Managing Agent of any loss or damage or other defect in the Regime when discovered.

Section 3. Use of Regime.

(a) Each unit of the Regime shall be used only for one-family residential purposes, provided however that Unit Owners shall not be prohibited from carrying on a home occupation as a secondary use within the same dwelling, in connection with which there is no person employed other than a member of the family residing on the premises, there is no advertising or any other display which will indicate from the exterior that the building is being used for any purpose other than that of a dwelling, there are no retail sales on the premises, no more than 10% of the total floor area (including attic and garage areas) of the Unit is used.

(b) All Common Elements of the Regime shall be used only for their respective purposes as designed.

(c) No Unit Owner or occupant shall place, store or maintain in the Common Elements, other than the private interior patio, any furniture, packages or objects of any kind or otherwise obstruct transit through such Common Elements or permit said elements to be unsightly or disorderly.

(d) Every Unit Owner and occupant shall at all times keep his unit and any Limited Common Element appurtenant thereto (including all windows) in a strictly clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority, the Council or the Board of Administration applicable to the Regime.

(e) No Unit Owner or occupant shall make or suffer any waste or unlawful, improper or offensive use of his unit or the Regime nor alter or remove any furniture, furnishings or equipment of the Common Elements.

(f) No nuisances shall be allowed on the Regime nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Regime by its residents. No immoral, improper, offensive or unlawful use shall be made of the Regime.

(g) All draperies shall be lined in an "off-white" color, or plain white and all window treatments (blinds, draperies, etc.) of any other color that are visible from the exterior of the unit must be approved in advance and in writing by the Board or its designated agent.

(h) There shall be no changes, alterations or additions to the building made on the outside of any Owner's Unit and no portion of the Common elements shall be altered or removed without the Board's consent except that an owner may convert the screen porch to a Florida room, but it must be in strict

conformance with the exterior appearance of other Florida rooms in the Project (windows, door style, exterior finishes, general appearance, etc.). No variation from the approved standard will be permitted.

(i) No signs, posters or bills may be placed or maintained in the Regime unless approved by a majority of Unit Owners, except that an owner may place and maintain one "FOR SALE" sign in the window of their unit for a reasonable time, not to exceed 3 feet by 2 feet in size. No other "directional arrows" or "FOR SALE" signs shall be permitted.

(j) All occupants shall exercise extreme care about making noises and in the use of musical instruments, radios, televisions and amplifiers that may disturb other occupants.

(k) No garments, rugs, or other objects shall be hung from windows of the Regime or in other areas within view of other occupants.

(l) No rugs other objects shall be dusted or shaken from windows of the Regime or in other areas within view of other occupants.

(m) No pets other than one dog of less than fifty (50) pounds, caged birds, fish, or one cat may be kept in any Unit and no pets may be kept on the General Common Elements. Pets at all times when outside the Owner's Unit shall be on a leash controlled by a responsible person, who shall carry a scooper and maintain the cleanliness and orderliness of the grounds as a result of any such pet's activities immediately upon the conclusion of those activities. No pet shall be permitted to remain in the Regime if it becomes an annoyance or nuisance to other Unit Owners.

(n) No Unit Owner or occupant shall without the written approval of the Board of Administration install any wiring for electrical or telephone installations, television antennas, machines or air-conditioning units, or other equipment or appurtenances whatsoever on the exterior of the Regime or protruding through the walls, windows or roof thereof.

(o) Nothing shall be allowed, done or kept in any units or Common Elements of the Regime which would overload or impair the floors, walls or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereof maintained by or for the council.

(p) No truck, pickup truck, van, house car, motor home, recreational vehicle, bus, trailer, boat, inoperable automobile, nor more than one operable automobile shall be regularly or habitually parked in the Regime unless same shall be parked in a garage.

(q) The Developer of the Regime or its agent, shall have the right to show his unit at reasonable times of the day for the purpose of sale or lease.

(r) All owners, occupants and their guests shall be subject to this Master Deed, the By-Laws and Rules and Regulations of the Regime.

(s) No exterior clothes lines shall be permitted and no clothes shall be hung so that they are visible from the exterior of the building.

(t) No automobile shall be regularly or habitually parked on Eagle Pines Lane or Eagle Pines Court.

Section 4. Regime Rules. The Board of Administration may adopt, amend or repeal any rules and regulations governing details of the operation and use of the Regime not inconsistent with any provision of law, the Master Deed or these By-Laws.

Section 5. Expenses of Enforcement. Every Unit Owner shall pay to the Council promptly on demand all costs and expenses including reasonable attorney's fees incurred by or on behalf of the Council in collecting any delinquent assessments against such unit, foreclosing its lien therefor or enforcing any provisions of the Master Deed, these By-Laws and Project Rules against such owner or any occupant of such unit.

Section 6. Record Ownership. Every Unit Owner shall promptly cause to be duly recorded the deed, assignment or other conveyance to him of such unit, or other evidence of his title thereto, and shall file a copy of same with the Board of Administration, and the Secretary shall maintain all such information in the record of ownership of the Council.

Section 7. Mortgages. Any Unit Owner who mortgages his unit, or any interest therein, shall notify the Board of Administration of the name and address of his mortgagee, and also of the release of such mortgage, and the Secretary shall maintain all such information in the record of ownership of the Council. The Board of Administration or Managing Agent at the request of any mortgagee or prospective purchaser of any unit, or interest therein, shall report to such person the amount of any assessments against such unit then due and unpaid.

Article VI
Miscellaneous.

Section 1. Amendment. These By-Laws may be amended in any respect not inconsistent with provisions of law or the Master Deed at any meeting of the Council provided thirty (30) days written notice of the proposed amendment(s) and of the meeting has been sent to each Unit Owner, by the affirmative vote of a majority of the total percentage interest of all Council members, (in person or by proxy).

Section 2. Indemnification. Every Board Member, Officer and/or their executors or administrators shall be entitled to indemnification by the Council of Co-Owners for all expenses reasonably incurred by or imposed upon them in connection with any action, proceeding or suit in which they may be made a party by reason of being or having been a Board Member, with the exception of any matter in which he shall be finally adjudged to be fraudulent or acting in bad faith in the conduct of his office. In any event, indemnification may be provided if authorized by a majority vote of the Council constituting a quorum and not including any Director made a party to the particular action, or by a majority vote of the Council constituting a quorum. In any instance in which liability is imposed on a Director for conduct taken pursuant to a vote of the Board, such Director shall be entitled to contribution from the other Directors voting affirmatively for such conduct. The foregoing right of indemnification and contribution shall not be exclusive of any other rights to which such person may be entitled.

Section 3. Interpretation. The invalidity of any provision of these By-Laws, the Master Deed or Rules and Regulations shall not impair or affect in any manner the validity, enforceability or effect of the rest of these By-Laws, the Master Deed or Rules and Regulations. Any reference herein to the masculine shall be deemed to automatically include the feminine.

Section 4. Incorporation. In the event the Board of Administration of the Council of Co-Owners chooses to incorporate the Association as permitted in the Master Deed, these By-Laws shall become the By-Laws of said corporation.

Section 5. Inter-Council Association. By action of the Board of Administration, the Council of Co-Owners may participate in and contract with other such boards and councils of condominium regimes for the purposes of efficiency and economy in the operation and maintenance of the condominium regimes participating therein.

Section 6. Enforcement. Violation of the provisions of the Master Deed, these By-Laws or any Regime rules may be remedied in any court of law or equity having jurisdiction thereof by the Council of Co-Owners, its Board of Administration, or managing agent or administrator, or any Unit Owner or Owners entitled to relief with the remedies available to such person or persons including damages, restraining order, injunction, accounting, lien enforcement and specific performance, or any combination thereof.

ARTICLE VII

The rules contained in Robert's Rules of Order Revised shall govern the Council in all cases to which they are applicable, and in which they are not inconsistent with these By-Laws, Rules and Regulations or the Master Deed.

Council of Co-Owners of Pinehurst
Green

P. Duane Walker, President

By: P. Duane Walker, President
Beacon Development Group, Inc.

FIRST
AMENDMENT TO BY-LAWS
FOR
PINEHURST GREEN

THIS AMENDMENT is made this 17th day of Sept., 1997,
by Beacon Development Group, Inc., a corporation, hereinafter
referred to as "Developer".

WITNESSETH:

1. Article IV, Section 1, Subsection K of the By-laws
shall be amended to read as follows:

"(K)" Purchase and maintain in effect all policies of
hazard and liability insurance for the Regime required by the
Master Deed, which insurance shall cover all buildings,
improvements, personal property and other common elements of the
regime shall be insured against fire and other perils covered by a
standard extended coverage endorsement, in an amount not less than
one hundred (100%) percent of the replacement value thereof,
including, but not limited to, plumbing fixtures, electrical
fixtures, kitchen and bathroom fixtures, kitchen and bathroom
cabinets, carpeting, paint, wallpaper, interior walls,
partitioning, trim, dry wall, appliances furnished by the
Developer, and other improvements and betterments, as determined
from time to time by the Board. The Board may elect to carry
insurance to cover such other perils as from time to time shall be
customarily covered with respect to buildings and improvements
similar in construction, location and use."

2. Except as set forth herein to the contrary all other
terms and provisions of the By-laws shall remain in full force and
effect.

IN TESTIMONY WHEREOF, witness the signature of the
Developer, the day and year first above written.

Beacon Development Group, Inc.

By: Wayne R. Martin
Wayne R. Martin, Vice President

STATE OF KENTUCKY)
) ss
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me this
17th day of ~~December~~ October, 1997, by Wayne R. Martin, as Vice President
of Beacon Development Group, Inc., a corporation, on behalf of said
corporation.

My commission expires: 8-7-98

Harold W. Thomas
Notary Public

This instrument prepared by:

Harold W. Thomas
Harold W. Thomas
THOMAS & DODSON
9200 Shelbyville Road, Suite 611
Louisville, Kentucky 40222
(502) 426-1700

RESOLUTION OF THE BOARD OF ADMINISTRATION
OF PINEHURST GREEN

The Board of Administration of Pinehurst Green, upon motion duly made and seconded, hereby unanimously resolves that the annual meeting shall henceforth occur on the first Monday of November of each year beginning in November of 2001. This resolution is adopted pursuant to Article I, Section 3 of the Bylaws. All Board Members and Officers elected at the meeting of April of 2000 shall serve until the next annual meeting in November of 2001.

IN WITNESS WHEREOF the Members of the Board have executed this resolution.

ALL BRD/MEM/SIGNED

SECOND AMENDMENT TO
THE BY-LAWS RELATING TO
PINEHURST GREEN

THIS DECLARATION AND SECOND AMENDMENT to the By-Laws for Pinehurst Green, a condominium organized and existing under the Kentucky Horizontal Property Law as set out in KRS Chapter 381, *et seq.*, Master Deed of which having been recorded in **Deed Book 6733, Page 928** in the office of the Recorder of Jefferson County, Kentucky (hereinafter referred to as the "Master Deed"), as amended on August 29, 1996 by Amendment recorded in **Deed Book 6781, Page 137**, and as further amended on October 29, 1996 by Amendment recorded in **Deed Book 6808, Page 840**, and as further amended on December 13, 1996 by Amendment recorded in **Deed Book 6828, Page 934**, and as further amended on June 27, 1997 by Amendment recorded in **Deed Book 6904, Page 259**, is made on this 1st day of December, 2005 by a majority of the unit owners of units within the condominium property regime commonly known as Pinehurst Green, and by the Council of Co-Owners of Pinehurst Green, Inc., and by the Board of Administration of Pinehurst Green, Inc. The By-Laws were previously amended on September 17, 1997.

WITNESSETH

WHEREAS, a majority the owners of condominium units contained within Pinehurst Green (hereinafter referred to as the "Unit Owners") do desire to amend certain portions of the By-Laws, and

WHEREAS, The Council of Co-Owners of Pinehurst Green, Inc., is a condominium association consisting of owners of condominium units located within Pinehurst Green (hereinafter referred to as the "Association"), and is a corporation organized and existing under the laws of the Commonwealth of Kentucky, and

WHEREAS, Pinehurst Green was first submitted to the condominium form of ownership and use by the Master Deed dated May 7, 1996 and of record in Deed Book 6733, Page 928 in the Office of the Clerk of Court for Jefferson County, Kentucky, and

WHEREAS, the By-Laws of such regime empowers the Unit Owners to amend the By-Laws upon affirmative vote of a majority of the total percentage interest of all Council members, and said Unit Owners do now desire to amend said By-Laws,

NOW THEREFORE, pursuant to the power of the Unit Owners granted in the Master Deed, the Association does hereby amend the aforementioned By-Laws as follows:

A. Amendment to Article IV, Section 1, Subsection K. Article IV, Section 1, Subsection K of the By-Laws is hereby amended to read in its entirety as follows:

(K) Insurance.

1. Purchase and maintain in effect all policies of hazard and liability insurance for the Regime required by the Master Deed, which insurance shall afford the following minimum protection:

a. Loss and damage to any and all Regime buildings, Regime improvements, Regime personal property, and Regime common elements by fire or other hazards covered by the standard extended coverage endorsement, as well as vandalism and malicious mischief, and such other property damage insurance as the Board considers appropriate.

b. Loss or damage to a single Florida Room (also referred to as a "sunroom") or screen porch within each unit, as such may exist now on the property or be erected in the future, provided that any unit owner substantially erecting, modifying or improving any Florida Room (or "sunroom") or screen porch must provide the Board of Administration with actual notice of the extent and nature of such modification or improvement and allow the Board of Administration and its agents to inspect same, and further provided that such insurance shall not extend to the personal property or items located within any Florida Room (or "sunroom") or screen porch unless otherwise required by the Master Deed or these By-Laws.

c. Loss and damage to any and all of the following property (which shall hereinafter be referred to as "Additional Covered Property"): plumbing fixtures, electrical fixtures, kitchen and bathroom fixtures, kitchen and bathroom cabinets, flooring, paint, interior walls, partitioning, trim, drywall, and appliances as any or all of same were provided by the Developer as a part of the "basic" unit as identified on the

plans and specifications of the condominium unit, *provided that* such policy or policies of insurance shall require only that such Additional Covered Property be repaired or replaced with items substantially similar to those provided by the Developer as a part of the "basic" unit as identified in the plans and specifications of the original condominium unit prior to any modification, change-order, upgrade, replacement, addition, increase or alteration thereto, whether done during construction or afterward.

d. Loss and damage to any other improvements and betterments, as determined from time to time by the Board, under any such policy or policies of insurance as the Board may deem appropriate.

2. In addition to the foregoing, the Board may elect to purchase and maintain, or to cancel, such other policy or policies of insurance to cover such other perils as from time to time may be customarily covered with respect to buildings and improvements similar in construction, location and use.

3. Except as otherwise stated in the Master Deed or in this Article IV, Section 1, Subsection K, the Board shall not be required to purchase or maintain any policy or policies of insurance covering any structure, building, element (whether a limited common element or otherwise), property, thing, or other item whatsoever (including without limitation any personal property) contained within the boundaries of any Unit, but the Board may nevertheless elect to do so.

B. Certification and Verification of Council. The undersigned President and Secretary of the Association hereby certify that the foregoing Amendment to the By-Laws is a true and correct account of the Amendments as passed by at least a majority of the total percentage interest of all Council members; and further certify that said Amendments were duly passed, adopted and approved in accordance with the By-Laws, and the Master Deed, and the Kentucky Horizontal Property Law, and all other applicable laws and regulations. Said Amendments shall become effective upon execution of this document by the President and Secretary of the Council.

C. Certification of Unit Owners, Council and Board of Administration. By signing below or by signing an accompanying acknowledgement, the Board of Administration certifies that the foregoing Amendment to the By-Laws is a true and correct account of the Amendments as proposed, discussed, voted upon and approved by them, and that the Unit Owners, the Council, and the Board of Administration has issued their respective consent, ratification, adoption and approval of same.

IN TESTIMONY WHEREOF, witness the signature of the Board of Administration of Pinehurst Green.

DATED this 19th day of December, 2005.

BOARD OF ADMINISTRATION OF THE COUNCIL OF CO-OWNERS OF PINEHURST GREEN, INC.

BY: Allen Gauder
Title: President

ATTEST:
Carol Du...
Secretary

Prepared By:

KIBBEY-APPLE ATTORNEYS

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