

DECLARATION OF RESERVATIONS AND RESTRICTIVE COVENANTS FOR RIVER-BEND
ESTATES

STATE OF KENTUCKY)
)
COUNTY OF CUMBERLAND)

This declaration made and published this 26th day of November, 2001 by Kentucky Timberline, LLC, a Delaware Limited Liability Company, hereinafter called "Declarant."

WHEREAS, the Declarant is the owner of the real property described in Article I of this declaration and is desirous of subjecting said real property to the protective covenants hereinafter set forth, each and all of which is and are for the benefit of such property and for each owner thereof, and shall inure to the benefit of and pass and run with said property, and each and every Lot or parcel thereof and shall apply to and bind the successor's interest of any owner thereof.

NOW THEREFORE, the Declarant hereby declares that the real property described in and referred to in Article I hereof is and shall be held, transferred, sold and conveyed subject to the protective covenants set forth below.

ARTICLE I

The real property which is, and shall be held, transferred, sold and conveyed subject to the protective covenants set forth in the various articles of this declaration is located in Cumberland County, Kentucky and is more particularly described as follows:

All of the Lots 1-52 inclusive of River-Bend Estates as more fully shown on that certain plat prepared by B.B. Barnes.

No property other than that described above shall be subject to this Declaration until specifically made subject thereto.

ARTICLE II

The real property described in Article I (hereinafter "Lot" or "Lots") is subject to the protective covenants and restrictions hereby declared in order to provide enforceable standards of improvement and development whereby aesthetics, living conditions, and property values may be enhanced.

ARTICLE III

Lots shall be used for single family residential and recreational purposes, except as specified in Article V. No animals shall be raised, kept or bred on any Lot, except household pets, such as dogs and cats, which may be kept provided they are not bred or maintained for commercial purposes.

ARTICLE IV

All improvements shall be subject to approval by the Architectural Control Committee (hereinafter "ACC"); as set forth in Article XV, and all other provisions of this Declaration shall not be deemed to limit the authority of the ACC in any way.

NO residence shall be erected, constructed, maintained, used, or to remain on any Lot other than one single family dwelling of not less than 1,000 square feet of finished living space, with a minimum size for the first floor of said dwelling to be not less 700 square feet. Once construction has begun on said dwelling, all exterior construction must be completed within one (1) year of the commencement of the construction.

No more than one outbuilding may be constructed on any Lot. Said outbuilding shall be only for the purpose of housing boats, cars, RV's, as well as lawn and garden equipment. Said buildings must be constructed in a workman like manner and may not be constructed more than one year prior to the construction of the main residence. This building must be enclosed on at least three sides and the top, with some sort of door, which would thus close in all four sides of the building.

There shall be no single wide mobile homes/manufactured homes, no double wide mobile homes/manufactured homes, or no buses situated on any Lot as a residence or for storage, either temporary or permanently. Certain modular homes may be allowed with prior ACC approval.

In case of complete or partial destruction of any structure by fire, windstorm or other cause, said structure must be rebuilt or the debris removed from the premises within six (6) months of the occurrence.

ARTICLE V

No trade, commerce, or other activity that may be considered a nuisance to the neighborhood may be carried on upon any Lot. It is permissible to operate a home -based Internet business, provided that deliveries to the home do not exceed two (2) UPS, Federal Express, or similar express carrier per day. No trade materials or inventories may be stored upon any Lot and no tractor trailer type trucks, house trailers, or mobile homes may be stored or regularly parked on any Lot. No junk or unsightly vehicles of any type or description or unsightly buildings may be placed upon any Lot-Home-based internet business shall be allowed to store small inventories within the residence or enclosed outside building situated on Lot. No advertisements of any kind will be permitted on any Lot for home-based businesses.

The Declarant reserves the right to erect signs in River Bend Estates. No other person or persons shall erect any signs until formation of the Homeowners Association. Signs are limited to "For Sale" signs, address signs, posted signs and security signs. Signs are not to exceed three (3) feet by three (3) feet in size. Signs must be neat, clean and must be made of metal or wood material. Any exceptions of this covenant must be approved by a majority vote of the Board of Directors.

ARTICLE VI

No Lot or Lots shall be subdivided in River Bend Estates.

ARTICLE VII

No structure other than a driveway may be built within fifteen feet of any side property line. Front property lines will have a set back of twenty-five (25) feet. Rear set backs shall be (25) twenty-five feet. Lot owner must comply with all federal, state and local guideline when erecting any structure along river.

ARTICLE VIII

Easements for installation and maintenance of utilities and drainage facilities are reserved (10) ten feet in width over all side Lot lines and Lot lines along any road in said subdivision. Declarant hereby reserves unto itself, its successors and assigns, to erect and maintain any utility lines, electric lines or to grant any easements or right-of-way therefore, together with the right of ingress and egress for the purpose of installing and maintaining the same.

ARTICLE IX

No Lot shall be used for ingress and egress to any properties not part of this subdivision. Declarant hereby reserves the right to use any Lot prior to it being sold to a third party for ingress and egress to any other adjoining property.

ARTICLE X

The roadways and right-of-way constructed throughout the subdivision are for common use of the Declarant, Lot owners and their respective heirs, successors, assigns and guests.

All common areas and boat launch are for the sole use of Lot owners and their guests.

ARTICLE XI

Tents shall not be allowed on the property. Late model motor homes and campers are permitted to be set up for occasional use on the property, prior to construction of dwelling. Occasional use shall be defined as not exceeding two consecutive week of an eight week period and not exceeding three weeks (cumulative) of a ten week period. Campers and motor homes must be in good repair and site must be kept free of debris and clutter. No clotheslines may be used at any time on any lot.

ARTICLE XII

There shall be no hunting from any roadway or other designated easement for ingress and egress or for drainage within River Bend Estates. The display or shooting of firearms, fireworks or firecrackers is expressly forbidden.

ARTICLE XIII

The property which lies between the river side property line of Lots and Cumberland River is owned by the U.S. Army Corp. of Engineers, and said is designated as an area to be undisturbed and shall be left and continued in such condition as complies with the pre-existing condition and neither the Association nor any owner, including owners of river view Lots, shall take any action contrary to such preserved status.

ARTICLE XIV

The record owner or owners of each Lot within River Bend Estates shall, by accepting a deed therefore, become a member of the River Bend Estates Property Owners' Association, Inc. (hereinafter, "Association"), a Kentucky Non-Profit Corporation, and its successors. All property owners shall be subject to the jurisdiction of the Association and the terms and conditions of this Declaration as amended from time to time. The Association shall be created for the purpose of enforcing this Declaration, establishing an Architectural Control Committee, and holding and administering such funds assessed annually for each Lot of River Bend Estates. The annual assessment for each Lot shall be the sum of \$50.00 per Lot, per year. The funds shall be known as the "River Bend Estates Property Owners' Association Fund." Declarant shall be exempt from any and all assessments for any Lot owned by it, either now or in the future. The annual assessment may be increased or decreased at any time by an affirmative vote of 75% of Lots in River Bend Estates, excluding Declarant. The River Bend Estates Property Owners' Association Fund shall be owned jointly by all the Lot owners of the property in the subdivision and shall be used only for administration costs, including attorney's fees, for the setup and perpetual continuation of the River Bend Estates Property

removal throughout the subdivision, and for any other reasonably necessary expenditures based on a majority vote of the board.

Each member shall be entitled to cast one (1) vote in the affairs of the Association for each Lot owned, but the Declarant shall be entitled to cast two (2) votes for each lot owned. All decisions that are made by the Association as a whole shall be decided by a majority vote, except that 75% majority shall be necessary for the levy of increased annual or special assessments. A majority shall be determined by the number of Lots, rather than the number of owners. Should the board wish to undertake a project where costs are to exceed \$2,000.00, such action shall require consent of 75% of the Lots represented in River Bend Estates. The Association shall organize, elect officers to the Board of Directors, adopt by-laws, and operate freely within the restrictions contained in this Declaration. Declarant, either through its employees, agents, assigns, will administer the Association and enforce this Declaration until the initial organizational meeting of the Association is held. As soon as practical and convenient to Declarant, following the sale of 75% of the Lots, Declarant shall give reasonable notice to all Lot owners regarding when the initial organizational meeting will be held. The number of Lot owners who attend the initial organizational meeting shall be deemed a quorum for that meeting only.

ARTICLE XV

With this declaration there is hereby established an Architectural Control Committee (hereinafter "ACC"), which shall be appointed by the Declarant. When the association has been organized and a board of directors elected in accordance with Article XIV, Declarant, in its discretion, may relinquish control of the ACC to the Association.

No improvements shall be erected, placed, altered, maintained or permitted to remain on any Lot, nor shall any construction be commenced thereon until plans for such improvements have been approved by action of the ACC in accordance with the provisions herein; provided however, that improvements and alterations completely within the interior of a building may be completed without approval. The term "Improvements" shall mean and include structures of any kind, whether water lines, sewers, electric and gas distribution facilities, parking areas, walkways, walls, fences, and landscaping, including any extensions, alterations, additions, modifications or repairs (except as repairs which restore the improvement to substantially the same condition.)

Approval of proposed improvements shall be based on the best judgement of the ACC in its sole discretion, to see that all improvements conform and harmonize with all proposed and/or existing improvements on the property as to external design, quality and type of construction, materials, color, sizing, height, grade and finished ground elevation, and conformity of the proposed improvements to the general plan and intent of this Declaration.

All communications and submittals shall be addressed to the ACC, c/o Auddie C. Brown, 150 E. Arlington Blvd. Suite E, Greenville, NC 27858, or to any such address the ACC shall hereinafter be designated in writing addressed to interested parties by certified mail. The ACC shall reply in writing to all plan submittals made within thirty (30) days of receipt thereof. If the ACC fails either to approve or disapprove such plans and specifications within thirty (30) days after the same have been delivered, it shall be presumed that said plans and specifications have been approved. There shall be a single fee of \$30.00 charged for the ACC's review of plans, including the preliminary review and the final design review.

Neither the ACC, nor any member, employee or agent thereof, shall be liable to any owner of a Lot or to anyone submitting plans for approval, or to any other interested party by reason of mistake in judgement, negligence, or nonfeasance in connection with its or their duties hereunder. Likewise, anyone who submits plans or for any other action in connection with its or their duties hereunder. Likewise, anyone who submits plans to the ACC for approval, agrees not to bring any action or suit to recover any damages against the Declarant, the ACC, or any partner, member, employee or agent of the Declarant or the ACC.

In order to approve plans, the ACC shall hold a Preliminary Review Conference and a Final Design Conference, and either or both steps may be waived by the ACC. At the Preliminary Review Conference, Lot owners and/or their designated representatives shall be prepared to present and discuss their initial development concept, including, but not limited to, the following items: site controls, including setback requirements for buildings, parking areas, tree removal and other surface improvements; proposed building design and materials for construction thereof; total surface land coverage of the proposed improvements; designs of parking areas, driveways, and other improvements for vehicular use; the general landscaping plans and provisions for maintenance thereof, including walls and fences; and general outdoor lighting and exterior illumination plan. Schematic drawings shall be submitted, which shall outline aforementioned proposed improvements.

The Final Design Conference will involve a review of the more detailed working drawings and specifications, reflecting the previously approved schematic plans, and will require submission of the following: Lot improvements, such as curbs, walks, fences, and special screening and transformers; grading and drainage plans; exterior finishes and colors; lighting details; and landscaping details.

All submissions for the Preliminary Review Conference and the Final Design Conference shall be made in duplicate. Any other information as may be required shall be submitted to the ACC in order to ensure compliance with requirements contained herein.

A Certificate of Compliance shall be issued by the ACC to each owner upon completion of construction that is in compliance with the provisions herein, to ensure the owner that the ACC's design objectives have been fulfilled and improvements have been built according to plans. When an owner desires a Certificate of Compliance Inspection, he will make such request to the ACC. Where landscaping cannot be installed before occupancy, a future completion date will be mutually agreed upon, but in no event shall more than one (1) full planting season elapse before said completion date.

Notwithstanding anything to the contrary contained herein, after the expiration of one (1) year from the date of a request for a Certificate of Compliance Inspection, said improvements shall be deemed in compliance with all provisions of this article unless actual Notice of Noncompliance, executed by the ACC, shall have been delivered to the owner or unless legal proceedings have been instituted to enforce compliance or completion.

The ACC may take exceptions to the provisions herein, when, in its sole discretion, such exceptions would not be in conflict with the intended character of the property subject to this Declaration when fully developed and occupied in accordance with the developer's plans and objectives therefore.

ARTICLE XVI

These covenants are to run with the land and shall be binding on all parties and all persons claiming under them until January 1, 2026, at which time said covenants shall be automatically extended for successive periods of ten (10) years unless by vote of a majority of the then owners of the Lots described herein, it is agreed to change said covenants in whole or in part. If parties hereto, or any of them, or their heirs, successors or assigns shall be lawful for any other person or persons owning Lots described herein to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate such covenant, and either to prevent it, her, him, or them from so doing and to recover damages or other dues for such violation. Declarant or the Association reserves the right to recover reasonable attorney's fees and expenses in addition to damages.

ARTICLE XVII

Invalidation of these covenants or any part thereof by judgements or court order shall in no way effect any of the other provisions which shall remain in full force and effect any of the other provisions which shall remain in full force and effect, and the failure of any person or persons to take action to restrain the violation of these covenants and restrictions shall not be constructed as a waiver of any enforcement rights and shall not prevent the enforcement of such covenant or covenants in the future. Notwithstanding any

other provision contained herein, the Declarant reserves the right to change, delete, amend or grant minor variances that in its sole discretion deems just and appropriate. This right to be subsequently assumed upon the formation by the Owners' Association set forth herein.

IN WITNESS WHEREOF, Knoxville Timberline, LLC, has caused this instrument to be executed in its name by Auddie C. BROWN, Authorized Agent, by authority of a Resolution by the Sole Director of the Manager of Kentucky Timberline, LLC, this 26th day of November, 2001.

KNOXVILLE TIMBERLINE, LLC

Susan L. Smith
BY: *Auddie C. Brown*
Auddie C. Brown
Authorized Agent

STATE OF KENTUCKY

COUNTY OF CUMBERLAND, SCT.,

This instrument was filed for record on the 3 day of
Dec 2001 at 9:30 o'clock A M., and duly
recorded in Plat Book No. 2 Page No. 22
of the records in this office.

Given under my hand this the 3 day
of Dec 2001

BETTY L. HOGAN, CLERK

Betty L. Hogan