



By Laws

Horizontal or Condominium
Property Law of Kentucky



The Commodore

2140 Bonnycastle Avenue
Louisville, Kentucky 40205

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ByLaws

ARTICLE I THE ASSOCIATION

The provisions of this ARTICLE I shall constitute the Bylaws by which, in addition to the other provisions of this Master Deed, the administration of the property shall be governed as follows:

I. THE ASSOCIATION

The term "Association" as used herein and throughout this Master Deed shall have the same meaning as the Council of Co-owners defined in KRS 381.810(5) and shall mean THE COMMODORE a non-profit corporation of Kentucky, the members of which are all owners from time to time of units in THE COMMODORE. Any specified percentage of the unit owners, whether majority or otherwise, for purposes of voting and for all purposes and wherever provided in this Master Deed, shall mean such percentage in the aggregation in interest of the undivided ownership of the common elements. If any unit is owned by more than one person, the voting rights with respect to such unit shall not be divided but shall be exercised as if the unit owners consisted of only one person in accordance with the proxy or other designation made by the persons constituting such unit owner. The unit owners shall have one vote for each unit owned in this condominium. The ByLaws may only be amended in any respect not inconsistent with provisions of law and the Master Deed by a vote of at least seventy (70%) of the unit Co-Owners at any meeting of the Council duly called for such purpose. *(ByLaws Amended in 1996)*

II. THE ADMINISTRATION OF THE ASSOCIATION

The direction and administration of the property on behalf of the owners shall be vested in the Board of the Association (herein referred to as the "Board"), consisting of five (5) persons who shall be elected in the manner hereinafter provided. Each member of the Board shall be one of the unit owners, provided, however, that in the event a unit owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any, shareholder, officer or director of such corporation, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity shall be eligible to serve as a member of the Board.

III. ELECTION OF THE BOARD

At each annual meeting of the Association, the unit owners shall by a vote of a majority of the unit owners present at such meeting elect the entire Board for the forthcoming year. Members of the Board shall serve without compensation for a term of one (1) year, and until their successors are elected. Vacancies in the Board shall be filled by the unanimous vote of the remaining members of the Board. A majority of the members of the Board shall constitute a quorum. The Board shall act by the vote of the majority of those members present at a meeting of the Board when a quorum is present.

IV. REGULAR ANNUAL MEETING OF THE BOARD

A regular annual meeting of the Board shall be held immediately after, and at the same place as the annual meeting of the Association. Other meetings of the Board may be called, held, and conducted in accordance with such regulations as the Board may from time to time adopt.

V. REMOVAL OF A BOARD MEMBER

Any member of the Board may be removed from office by the affirmative vote of sixty-six and two-thirds (66 $\frac{2}{3}$) percent of the unit owners at a special meeting of the unit owners called for such purpose.

VI. THE BOARD SHALL HAVE THE POWER

1. To engage the services of a manner or managing agent, who may be any person, firm or corporation, upon such terms and compensation as the board deems fit, and to remove such manager or managing agent at any time;
2. To engage the services of any persons deemed necessary by the Board at such compensation deemed reasonable by the Board in the operation, repair, maintenance and management of the property, and to remove at any time any such personnel;
3. To make arrangements to share the services of any persons, firm or corporation with another condominium association;
4. To establish or maintain one or more bank accounts for the deposit of any funds paid to, or received, by the Board.

VII. THE BOARD RESPONSIBILITIES

The Board shall acquire and make arrangements for and pay for out of the maintenance fund, in addition to the manager, managing agent or other personnel above provided for, the following:

1. Water, waste removal, heat and other necessary utility service for the common elements and such services to the units as are not separately metered or charged to the owners thereof;
2. A policy or policies of insurance for the property against loss or damage by fire and such hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the common elements and the units. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Association for the benefit of each of the unit owners in the percentages set forth in Schedule B. The Board may also purchase such other insurance, as the Board deems advisable in the operation, and for the protection, of the property and the units. Premiums for all insurance provided for in this Master Deed shall be common expenses.
3. A policy or policies insuring the Association and the unit owners against any liability to the public or to the owners of units and of the common elements, and their invitees or tenants, incident to the ownership and/or use of common elements, the liability under which insurance shall be not less than One Hundred Thousand (\$100,000.00) dollars for any one person injured. Three Hundred Thousand (\$300,000.00) dollars for any one accident, and Ten Thousand (\$10,000.00) dollars for property damage (such limits to be reviewed at least annually by the Board and increased in its discretion);
4. Workmen's compensation insurance to extent necessary to comply with any applicable laws;
5. Landscaping, gardening, snow removal, painting, cleaning, tuck pointing, maintenance, decorating, repair and replacement of the common elements including the parking area (but not including the interior surface, windows and doors of units, which the respective unit owner shall paint, clean, decorate, maintain and repair), and such furnishings and equipment for the common elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same for the common elements;

6. Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations or assessments which the Board deems necessary or proper for the maintenance and operation of the property as a first-class condominium regime or for the enforcement of any restrictions or provisions contained herein;
7. Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the property or any part thereof which may in the opinion of the Board constitute a lien against the property or against the common elements, rather than merely against the interest therein of particular unit owners. Where one or more unit owners are responsible for the existence of such a lien, they shall be jointly and severally liable for the cost of discharging it and costs incurred by the Board by reason of said lien or liens shall be specially assessed to said unit owners and shall, until paid by such owners, constitute a lien on the interest of such owners in the property, which lien may be foreclosed in like manner as a mortgage.
8. Maintenance and repair of any unit or any other portion of the property which a unit owner is obligated to maintain or repair under the terms hereof, if such maintenance or repair is necessary, in the discretion of the Board, to protect common elements, or any other portion of the property, and the owner or owners of said unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said owner or owners; provided that the Board shall levy a special assessment against such unit for the cost of said maintenance or repair and the amount of such special assessment shall constitute a lien on the interest of such unit owner or owners in the property, which lien may be foreclosed in like manner as a mortgage.

VIII. THE DEVELOPER

1. Developer will maintain control over the management of this condominium until the time hereinafter set out for the purpose of maintaining a continuity of management and to assure the orderly transfer of authority for the protection and convenience of the co-owners of this condominium;
2. The management of the condominium shall be turned over to the Association within thirty (30) days of the closing of the last unit of said condominium by Developer;
3. The first annual meeting of the Association shall be called by Developer upon the ten (10) days' written notice within thirty (30) days of the sale and conveyance of the last of the 59 units in this condominium, or Developer may exercise this option at any time prior to the sale of the last unit. Thereafter an annual meeting of the Association shall be held three hundred sixty-five (365) days after the first annual meeting.

IX. MEETINGS OF THE ASSOCIATION

All meetings of the Association shall take place at 8:00 p.m., in some section of the property designated by the person or persons calling a special meeting, or at such other reasonable place or time designated by the Board. Written notice of the holding of any regular or special meeting of the Association stating the date, hour, and place of such meeting shall be delivered or sent in person or by mail to each unit owner in care of his apartment at least five (5) days before the date of such meeting. A majority of the unit owners shall constitute a quorum at all such meetings. A unit owner may vote either in person or by proxy at said regular or special meeting of the Association. Every proxy must be written and no proxy shall be valid after eleven (11) months from the date of its execution.

X. THE BOARD

A president, one or more vice-presidents, a secretary and a treasurer shall be elected at each annual meeting of the Board from among its members. Any such officer may be removed by the vote of a majority of the Board at any time. A vacancy in any office may be filled by the Board for the unexpired term.

XI. THE PRESIDENT

The President shall preside over the meetings of the Board and the Association; he may sign, together with any other officer designated by the Board, any contracts, checks, drafts or other instrument designated or approved by the Board. In the absence of the president, or in the event of his inability to act, the vice-presidents (in the order elected) shall perform the duties of the president.

XII. THE SECRETARY

The Secretary shall keep the minute book wherein all resolutions shall be recorded and shall see that all notices (except the notice of the first annual meeting of the Association) are duly given as herein provided.

XIII. THE TREASURER

The treasurer shall keep all financial records and books of account. All expenses charges and costs of the maintenance, repair or replacement of the common elements and other expenses, charges or costs which the Board may incur or expend pursuant hereto, shall be approved by the Board, and a written voucher thereof prepared and signed by the treasurer. There shall be no structural alterations, capital additions to or capital improvements on, the common elements (other than for purpose of replacing or restoring portions of the common areas and facilities) requiring expenditure in excess of One Thousand (\$1,000.00) Dollars without the prior approval of a majority of the unit owners.

XIV. ANNUAL BUDGET AND ASSESSMENT AGAINST EACH OWNER

Each year on or before December 1, the Board shall estimate the annual budget of common expense (the "annual budget") including the total amount required for the cost of wages, materials, insurance, services and supplies which shall be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall on or before December 15, notify each unit owner in writing as to the amount of such estimate with reasonable itemization thereof. Said annual budget shall be assessed to the owners according to each owner's percentage of ownership in the common elements as set forth in Schedule 8, after one month from the date of recording of the deed to the individual unit which shall continue for the first year based upon the estimate from the operating expense of the preceding year and as certified by the accounting firm used by Developer. Thereafter all assessments shall be made by the Board pursuant to their annual budget as hereinabove and hereinafter set out in this paragraph. All sums so assessed shall be common expenses.

XV. RIGHT TO CONTRACT FOR SERVICES

The Board shall have the right to contract with persons, corporations or any legal entities to provide services to said regime, which shall include but not be limited to the right to contract with the association of another condominium regime for the sharing of any service or, facility with said regime.

XVI. MERGER OF ASSOCIATION

Nothing contained herein shall be construed to prevent the merger of this association with the association of another condominium regime, provided that the prior approval of seventy-five (75%) percent of the owners of the units in this section approve such merger.

XVII. CENTRAL HEAT AND WATER

The units in this regime have central heat as well as central water, all of which are centrally metered. A pro-rate share of the total bill for these utilities and services will be added to the condominium maintenance fee monthly; said bills for utilities as hereinabove outlined shall be based upon the same percentage of interest that the unit contains in the common elements.

NOTE UTILITY CHARGES

These utility charges do not constitute part of the condominium maintenance fee, but shall be added to the maintenance fee for collection by the association because of the central billing. In the event of the non-payment of said utility charges, they shall constitute a lien like and similar manner as provided for the nonpayment of the condominium maintenance fee.

XVIII. CONDOMINIUM MAINTENANCE CHARGE

1. On or-before January 1 of the ensuing year, and the first of each and every month of said year, each unit owner shall be obligated to pay to the Board, or as it may direct, one-twelfth (1/12) of the assessment made pursuant to ARTICLE I. On or before the first day of February of each calendar year the Board shall supply to all unit owners an itemized accounting of the maintenance expense for the proceeding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in-excess of the amount required for actual expense and reserves shall be credited according to each owner's percentage of ownership in the common elements to the next monthly installments due from owners under the current year's estimate, until exhausted and any net shortage shall be added according to each owner's percentage of ownership in the common elements to the installment due in succeeding six months after rendering of the accounting.
2. The Board shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual budget, which may become necessary during the year, shall be charged first against such reserve. If said annual budget proves inadequate for any reason, including non-payment of any owner's assessment, the Board may at any time levy a further assessment, which shall be assessed to the unit owners according to each owner's percentage of ownership in the common elements. Said further assessment shall also be deemed common expenses. The Board shall serve notice of such further assessment on all unit owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All unit owners shall be obligated to pay the adjusted monthly amount. The Board shall collect all such assessments and any other assessments herein provided for.
3. When the first Board elected hereunder takes office, it shall determine the estimated budget, as hereinabove defined, for the period commencing thirty (30) days after said election and ending on December 31 of the calendar year which, said election occurs. Assessments shall be levied against the unit owners during said period as provided in this paragraph.
4. The failure or delay of the Board to prepare or serve the annual or adjusted budget on the unit owners shall not constitute a waiver or release in any manner of the unit owner's obligation to pay the maintenance and other costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget the unit owners shall continue to pay the monthly assessment charges at the then existing monthly rate established for the previous period until the

monthly assessment payment which is due more than ten (10) days after such new annual or adjusted budget shall have been mailed or delivered.

5. In the event of the foreclosure of a lien for unpaid common expense, the unit owner who is the defendant in such proceedings shall be required to pay a reasonable rental for such unit.

XIX. BOOKS OF ACCOUNT

The Board shall keep full and correct books of account and the same shall be open for inspection by any unit owner or any representative of a unit owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the owner. All funds collected hereunder shall be held and expended solely for the purpose designated herein, and (except for such special assessments as may be levied hereunder against less than all unit owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the unit owners in the percentage set forth in Schedule B, hereof.

XX. ENFORCE COLLECTION

In addition to any remedies or liens provided by law, if any unit owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the Association may bring suit for and on behalf of itself and as representative of all unit owners, to enforce collection thereof or to foreclose the lien hereinafter provided; and there shall be added to the amount due the costs of said suit, together with legal interest and reasonable attorney fees to be fixed by the Court. No owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the common elements or abandonment of his or her unit. The unpaid common expenses assessed to a unit owner shall constitute lien against the unit of such owner and against such owner's interest in the property, as provided in the Kentucky Condominium Property Act, as amended.

XXI. STATEMENT OF ACCOUNT

Upon ten (10) days notice to the Board, and the payment of a reasonable fee fixed by the Board not to exceed Fifteen (\$15.00) Dollars, any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessment or other charges due and owing from such owner.

XXII. RULES AND REGULATIONS

The Board may from time to time adopt or amend such administrative rules and regulations governing the operation, maintenance, beautification, and use of the common elements, the limited common elements, and the units not inconsistent with the terms of this Master Deed, as it sees fit, and the unit owners shall conform to and abide by such rules and regulations. Written notice of such rule and regulations shall be given to all unit owners and occupants. A violation of such rules and regulations shall be deemed a violation of the terms of this Master Deed. Such administrative rules and regulations shall be effective upon, and may be amended at any time upon the affirmative vote of a majority of the unit owners.

XXIII. PARKING AREA

Developer or the Board may grant to any unit owner, or any other person, the privilege to use any portion of the parking area (not designated by Developer as a limited common element reserved for the use of a certain unit pursuant to the terms of Paragraph I (c) hereof) for the parking of an automobile for any period of time Developer or the Board sees fit.

XXIV. STORAGE AREA

Developer or the Board may number and assign to any unit the exclusive privilege to use for storage purposes any portion of the property designated for such purposes. Any such designation by the Board or Developer shall not thereafter be changed except upon the affirmative vote of a majority of the unit owners.

XXV. GIVING OF NOTICE

Whenever any notice whatever is required to be given under the provisions of the Master Deed, or Bylaws, a waiver thereof in writing by the person or persons entitled to such notice, whether before or at the time stated therein, shall be deemed equivalent to the giving of such notice.

XXVI. BUSINESS FOR PROFIT

Nothing hereinabove contained shall be constructed to give the Association authority to conduct an active business for profit on behalf of all unit owners or any of them.

XXVII. LINE OF CREDIT

The Board is authorized to establish a line of credit with a reputable banking institution; to borrow against the line; and, to secure the line by assigning all payments under any lease agreements with third party cellular phone companies to the bank for the benefit of The Commodore. The amount of the line of credit outstanding at any one time shall be limited to \$150,000 unless a majority of the unit owners agree to an increase.

The paragraph XVIII shall not apply to the management of the Association for thirty (30) days following the sale of the last unit of the condominium, and the management operation is exclusively reserved by the owner Developer until the last unit is sold by Developer, and shall be handled in its entirety by Developer in order to complete the development and to assure the placing of the Association on a sound basis for the protection of all the owners in this condominium unit. Developer shall be responsible for the normal maintenance of each unit until it is sold, and upon conveyance the maintenance charge shall first commence to run against the unit conveyed.

ARTICLE II USE AND OCCUPANCY OF UNITS AND COMMON AREAS AND FACILITIES

The units and common elements shall be occupied and used as follows:

I. USE OF COMMON ELEMENTS

The common elements (including limited common elements) shall be used in conformance with OR-3 zoning.

1. Furthermore, no business or commercial use shall be permitted in or on the common elements (including limited common elements) unless there be an affirmative vote at any meeting of the Council duly called for such purpose, approving the proposed business or commercial use by Sixty-Six and Two-Thirds (66 $\frac{2}{3}$ %) Percent of the unit Co-Owners.
2. The Association, by and through the Board, shall be permitted to lease the roof of the Condominium Project, or any portion thereof, to third party cellular phone companies for the benefit of The Commodore.

II. USE OF INDIVIDUAL ELEMENTS

All units of The Commodore shall only be used conformance with the following:

1. One family residential unit; and
2. Home Occupation, with "Home Occupation" defined as follows:
An occupation carried on by a resident of a dwelling as a secondary use within such 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 and no mechanical equipment is used except such as is permissible in a professional office environment.
3. The Home Occupation use shall be further limited so as not to create a nuisance to other unit Co-Owners. A use shall be presumed to create a nuisance if, without limitation, any of the following occurs:
 - (a) The number of individual business visitors, clients or customers exceeds fifty (50) per month; and/or
 - (b) Noise produced as a result of the Home Occupation disturbs other unit owners.
4. Notwithstanding anything herein to the contrary, nothing herein shall be used to restrict, curtail, alter or change any pre-existing use of a unit.

III. USE OF COMMON AREAS

There shall be no obstruction of the common elements nor shall anything be stored in the common elements without the prior consent of the Board except as herein expressly provided. Each unit owner shall be obligated to maintain and keep his own unit, its windows and doors, in good, clean order and repair.

IV. INSURANCE AFFECTED BY USE OF PROPERTY

Nothing shall be done or kept in any unit or in the common elements, which will increase the rate of insurance on the building or contents thereof applicable for residential use without the prior written consent of the Board. No unit owner shall permit anything to be done or kept in his unit or in the common elements or limited common elements which will result in the cancellation of insurance on the building or contents thereof, or which would be in violation of any law. No waste shall be committed in the common elements or limited common elements.

V. SIGNAGE

Unit owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the building, and no sign, awning, canopy, awning, radio or television antenna shall be affixed to or placed upon the exterior walls or roof of any part thereof, without the prior consent of the Board.

VI. PETS

No animals, rabbits, livestock fowl or poultry of any kind shall be raised, bred or kept in any unit or in any part of the property, except that dogs, cats or other household pets may be kept in units subject to rules and regulations adopted by the Board; provided that they are not kept, bred or maintained for any commercial purpose, and any pet permitted under this section when outside the confines of the owner's unit must be kept on a leash and accompanied by a responsible person; and provided, further than any such pet creating or causing a nuisance or unreasonable disturbance shall be permanently removed from the property upon three (3) day's written notice from the Board.

VII. ANNOYANCE OR NUISANCE

No noxious or offensive activity shall be carried on in any unit or in the property, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other unit owners or occupants.

VIII. IMPAIRMENT OF THE STRUCTURAL INTEGRITY

Nothing shall be done in any unit or in, on, or to the common elements which will impair the structural integrity of the building or which would structurally change the building, except as otherwise provided herein.

IX. UNSIGHTLY MATERIALS

No clothes, sheets, blankets, laundry of any kind, or other articles shall be hung out or exposed on any part of the common elements. The common elements and the limited common elements shall be kept free and clear of rubbish, debris and other unsightly materials.

X. PERSONAL PROPERTY IN COMMON AREAS

There shall be no playing, lounging, parking of baby carriages or play pens, bicycles, wagons, toys, vehicles, benches, chairs, or other personal property on any part of the common elements or limited common elements without the prior consent of, and subject to any regulations, of the Board.

XI. ALTERATION OF COMMON AREAS

Nothing shall be altered on, constructed in, or removed from the common elements or limited common elements, except upon written consent of the Board.

XII. WINDOW DRAPERY

The backing of any drapes which may be seen through any window shall be of white material.

The Commodore

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502.451.7042

Dated: April 2003