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**SUPPLEMENTARY DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS AND RESERVATION OF EASEMENTS FOR
ASHFORD VILLAGE SUBDIVISION**

This Supplementary Declaration of the Declaration of Covenants, Conditions and Restrictions and Reservations of Easements for Ashford Village Subdivision is made and entered into this 5th day of December, 2003, by Mills Road, LLC, a Kentucky Limited Liability Company, its successors and assigns (hereinafter referred to as the "Declarant").

WITNESSETH

WHEREAS, the Declarant previously established a Declaration of Covenants, Conditions and Restrictions and Reservations of Easements for Ashford Village Subdivision (hereinafter referred to as the "Declaration") for Ashford Village Subdivision, dated December 5, 2003 and recorded in Official Record Book I-1202, page 52 of the Kenton County Clerk's records at Independence, Kentucky; and

WHEREAS, Article II, Section 3 of the Declaration provided that said Declaration shall apply to all lots which would be platted in the future; and

WHEREAS, additional lots have been platted as a part of Ashford Village Subdivision;

NOW, THEREFORE, the Declaration for Ashford Village Subdivision is hereby amended as follows:

Said Declaration is amended to add the following property, which shall be subject to the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Ashford Village Subdivision as established by the Declaration:

See Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, the Declarant has caused this First Supplementary of Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Ashford Village Subdivision to be executed this 8th day of December, 2004.

MILLS ROAD, LLC, A KENTUCKY LIMITED
LIABILITY COMPANY

BY:

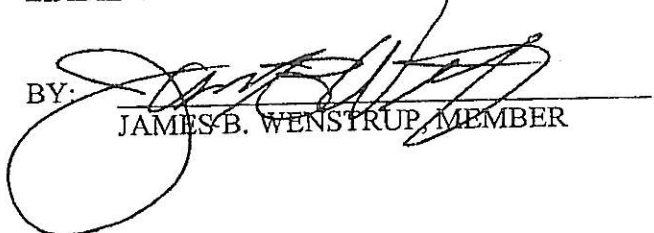

JAMES B. WENSTRUP, MEMBER

EXHIBIT "A"

PARCEL ONE:

PIDN: 072-00-03-034.00	072-00-03-043.00
072-00-03-035.00	072-00-03-044.00
072-00-03-036.00	072-00-03-045.00
072-00-03-037.00	072-00-03-081.00
072-00-03-038.00	072-00-03-082.00
072-00-03-039.00	072-00-03-083.00
072-00-03-040.00	072-00-03-084.00
072-00-03-041.00	072-00-03-085.00
072-00-03-042.00	072-00-03-086.00

Being all of Section Four (4), Ashford Village Subdivision, as shown on Plat Slide A-685 of the Kenton County Clerk's records at Independence, Kentucky.

PARCEL TWO:

PIDN: 072-00-03-046.00	072-00-03-054.00
072-00-03-047.00	072-00-03-074.00
072-00-03-048.00	072-00-03-075.00
072-00-03-049.00	072-00-03-076.00
072-00-03-050.00	072-00-03-077.00
072-00-03-051.00	072-00-03-078.00
072-00-03-052.00	072-00-03-079.00
072-00-03-053.00	072-00-03-080.00

Being all of Section Five (5), Ashford Village Subdivision, as shown on Plat Slide A-686 of the Kenton County Clerk's records at Independence, Kentucky.

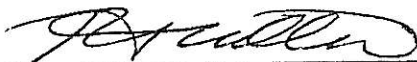
COMMONWEALTH OF KENTUCKY
COUNTY OF BOONE

The foregoing instrument was acknowledged before me, a duly authorized Notary Public, by Mills Road, LLC, a Kentucky Limited Liability Company, by and through James B. Wenstrup, its Member, this 8th day of December, 2004.



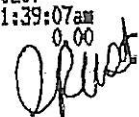
Notary Public
Commission Expires:

THIS INSTRUMENT PREPARED BY:



RONALD G. MULLEN, ATTORNEY
2362 Grandview Drive
Ft. Mitchell, KY 41017

Recorded INDEPENDENCE BILL AYLOR
KENTON COUNTY CLERK
Doc type: SUPPLEMENT TO DECLARATI
Book/page: I-1642/ 266 3 pg
Doc#: 05 06 29 059 00207
Dt/tm Recorded: 06/29/2005 11:39:07am
Total fees: 75.00 Tax: 0.00
Clerk name: C RUST



DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR ASHFORD VILLAGE SUBDIVISION

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THIS DECLARATION, made this 5th day of December, 2003, by MILLS ROAD, LLC., a Kentucky Limited Liability Company, hereinafter referred to as the "Declarant".

WITNESSETH:

WHEREAS, MILLS ROAD, LLC. is the owner of the property described in Exhibit "A" hereof and desires to develop said real estate into a single family subdivision to be known as "ASHFORD VILLAGE SUBDIVISION"; and

WHEREAS, the Declarant plans to develop ASHFORD VILLAGE SUBDIVISION and to create a planned residential community with permanent common areas for the benefit of said community; and

WHEREAS, the Declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of said common areas; and to this end, desires to subject the real property described in Exhibit "A" hereof to the covenants, conditions, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said Property and the subsequent owners thereof; and

WHEREAS, the Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an Association to which should be delegated and assigned the powers and duties of maintaining and administering the common areas and administering and enforcing the within covenants and restrictions and disbursing the charges and assessments hereinafter created; and

WHEREAS, the Declarant has formed the "Ashford Village Subdivision Homeowners Association, Inc." as a non-profit Kentucky corporation for the purpose of carrying out the powers and duties aforesaid;

NOW, THEREFORE, the Declarant hereby declares that all of the real property described in Exhibit "A" and such other property as may be subjected to the provisions hereof pursuant to Article II, shall be held, sold and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration, and any subdivision plat which includes the Property, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described Properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

Recorded
INDEPENDENCE
Doc type:
Book/page:
Doc#:
Dt/tm Recorded:
Total fees:
Clerk name:
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KENTON COUNTY CLERK
RESTRICTIVE COVENANT
I-1202/ 52 34 pg
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ARTICLE I

DEFINITIONS

Section 1 Definitions. The following words when used in this Declaration shall have the following meanings:

(a) "Articles" and "Articles of Incorporation" shall mean those Articles, filed with the Secretary for the Commonwealth of Kentucky, Incorporating Ashford Village Subdivision Homeowners Association, Inc., as a corporation not for profit under the provisions of Kentucky Revised Statutes, as the same may be amended from time to time. A true copy of the Articles as shown in Exhibit "C" is attached hereto and made a part hereof.

(b) "Association" shall mean and refer to Ashford Village Subdivision Homeowners Association, Inc., and its successors and assigns.

(c) "Board" and "Board of Trustees" shall mean the Board of Trustees of the Association as provided in the Articles of Incorporation and By-Laws of the association. The Board of Trustees shall also be known as the "Board of Directors".

(d) "By-Laws" shall mean the By-Laws of the Association, as same may be amended from time to time. A true copy of the By-Laws as shown in Exhibit "D" is attached hereto and made a part hereof.

(e) "ASHFORD VILLAGE SUBDIVISION" shall mean and refer to a single-family subdivision situated on the real property described in Exhibit "A" together with such portions of any real property as may hereafter be annexed pursuant to Article II.

(f) "Common Areas" shall mean and refer to all real property, or any interest therein, including greenbelt or landscape easements, together with improvements located thereon, for the benefit, use and enjoyment of all of the Members of the Association. The "Common Areas" shall also include any areas that have been specifically designated by the Declarant on a recorded plat as "Common Areas". The "Common Areas" could include, but shall not be limited to, any and all: greenbelt easement areas, entryways, entrance pillars, walls, signs and surrounding landscaping, landscape mounds, roadway islands and the undedicated portion of any roadway or street conveyed to the Association.

(g) "Declarant" shall mean and refer to MILLS ROAD, LLC., a Kentucky Limited Liability Company, and their successors and assigns.

(h) "Development Period" shall mean the period commencing on the date on which this Declaration is recorded and terminating on the earlier of (a) Fifteen (15) years from the signing of this document, or (b) the day next following the day on which the Declarant owns no part of the Property.

(i) "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property or recorded resubdivision thereof with the exception of the Common Areas and dedicated right of ways.

(j) "Member" shall mean any one of those owners who are members of the

Association as provided in Article IV.

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

(l) "Property" and "Properties" shall mean and refer to that certain real property hereinafter described, and such additions thereto as may hereafter be annexed pursuant to Article II.

(m) "Trustee" and "Trustees" shall mean that person or those persons serving, at the time pertinent, as a Trustee or Trustees of the Association, and mean that same person or those persons serving in the capacity of a member of the Board of Trustees of the Association. Such individuals shall also be known as "Directors".

ARTICLE II

PROPERTY DEVELOPMENT - ANNEXATION

Section 1. Property Subject to Declaration. The real property which is, and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to this Declaration is located in the County of Kenton, Commonwealth of Kentucky, and is more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof. The real estate described in Exhibit "A" shall be developed as a single-family subdivision to be known as ASHFORD VILLAGE SUBDIVISION.

Section 2. Planned Unit Development. Declarant reserves the right to subject all or any of the real property described in Exhibit "B" to the provisions of this Declaration, so as to create a residential planned unit development (PUD) consisting of various residential properties with the permanent Common Areas for the benefit of said development. The real property described in Exhibit "B", if annexed, shall become a part of ASHFORD VILLAGE SUBDIVISION. Such additional property shall be annexed to the real property described in Exhibit "A" as provided in Section 3 hereof. Notwithstanding the above, nothing contained this Declaration or in the By-Laws shall obligate the Declarant to annex any additional property to the property described in Exhibit "A" and the real property described in Exhibit "B" shall remain wholly free from any covenants or restrictions herein contained until so annexed as hereinafter provided.

Section 3. Annexation of Additional Property. Except as hereafter provided, for a period of twenty (20) years from and after the date this Declaration is filed for record, additional property may be annexed to above-described property by the Declarant without the assent of Members of the Association, if any. Thereafter, such additional property may be annexed only with the consent of fifty-one (51%) percent total votes of Members of the Association. The scheme of the within Covenants and Restrictions shall not, however, be extended to include any such additional property unless and until the same is annexed to the real property described on Exhibits "A" as hereinafter provided.

Notwithstanding the above, for a period of fifteen (15) years from and after the date this Declaration is filed for record, MILLS ROAD, LLC. shall have the right to annex to the above-

described Property, the real property described in Exhibit "B" without the assent of the Members of the Association or any other party. The real property described in Exhibit "B", if annexed, shall become a part of ASHFORD VILLAGE SUBDIVISION.

Any annexations made pursuant to this Article, or otherwise shall be made by recording a supplement to this Declaration with the Clerk of Kenton County, Kentucky, which supplementary declaration shall extend the scheme of the within covenants and restrictions to such annexed property. Such supplementary declaration may contain such additional covenants, conditions, restrictions, easements, charges and liens as the Declarant shall deem appropriate for the purpose of completing the development of the property.

Section 4. Additional Common Areas. Declarant shall have the right, from time to time, during the Development Period, to convey to the Association for nominal or other appropriate consideration, and the Association may accept conveyance of any property or interest in property owned by Declarant along with any structure, improvement, or other facility including related fixtures, equipment and furnishings located thereon.

Section 5. Facilities for Ashford Village Subdivision.

Declarant shall have the right, from time to time, during the Development Period, to convey to the Association for nominal or other appropriate consideration community facilities which shall be constructed solely for the benefit of the residents of ASHFORD VILLAGE SUBDIVISION and not for other persons. All costs associated with the maintenance, use and operation of such facilities shall be funded by the annual Maintenance Assessment set forth in Article V, Section 3.

Notwithstanding any other provision of this Declaration, Declarant does not warrant or represent that any community facilities will be constructed by or on behalf of Declarant. In determining whether to construct any community facilities for ASHFORD VILLAGE SUBDIVISION, such Declarant may consider whether the construction at the time of making the decision would be economically feasible in light of the then existing economic conditions, whether such Declarant has sufficient funds available for the construction and whether the operation, maintenance and repair of the community facilities as constructed will be adequately funded by the Annual Assessments.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owners' Right of Enjoyment in the Common Areas. Every Owner and, in the case of rented residences, such owner's tenants, shall have a right to an easement for the enjoyment of, in, and to the Common Areas, and such right and easement shall be appurtenant to and shall pass with title to every lot, subject to the following:

(a) The right of the Association, in accordance with its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Areas.

(b) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public or municipal agency, authority or utility for purposes consistent with the purpose of this Declaration.

(c) The right of the Association or the Declarant to grant utility easements (including cable television), greenbelt easements, sign easements or roadway easements over the Common Areas.

(d) The right of the Association to have an unfettered and unrestricted easement to build, care for, maintain, repair and replace any improvements on the Common Area, including but not limited to all entrance pillars, walls, signs and surrounding landscaping at or near the entranceway to ASHFORD VILLAGE SUBDIVISION.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the applicable By-Laws of the Association, his right of enjoyment in and use of the Common Areas to the members of his family, guests, and his tenants or contract purchasers who reside on the Property.

Section 3. Title to Common Areas. The title to any portion of the Common Areas that is to be owned by the Association shall be conveyed to the Association; provided, however, that the Declarant shall have the right from time to time to reserve for the purpose of development of the Property all or any portion of the Property for various easements and rights of way, together with the right to dedicate or grant the same where necessary and customary and the right of ingress and egress across the Common Areas in connection with the development of the Property. The Declarant's rights hereunder shall not unreasonably interfere with the Owner's easement of enjoyment.

ARTICLE IV

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Members. Every Lot Owner shall be a Member of the Association, and such membership shall be appurtenant to and may not be separated from ownership of any Lot. During the Development Period, the Association shall have Class A Members (being all Owners except Declarant) and a Class B Member (Declarant). At such time as the Class B membership shall terminate, the Declarant, if it is then an Owner, shall become a Class A Member and continue as such so long as it shall remain an Owner.

Section 2. Voting Members.

(a) With the exception of Declarant (until Class B membership has terminated as provided in the Articles), every person, group of persons or entity who is an Owner of a fee interest in any Lot which is or becomes subject by covenants of record to assessment by the Association shall be a Class A Member of the Association. Class A Members shall be entitled to one vote per each Lot in which they hold the interest required for membership.

(b) Class B Members shall be the Declarant which shall be entitled to five (5) votes for each Lot in which the Declarant holds the interest multiplied by the number of residences located or proposed by the Declarant to be located on such Lot, provided, however, that such Class B membership shall terminate at such time as provided in the Articles.

Annual Maintenance Assessment shall commence on the first day of the month following the recording of the plat for the Property or at such other time as determined by the Board. The first assessment for any such membership may be made for the balance of the calendar year and shall become due and payable and a lien on the date aforesaid. The Board may from time to time determine the manner and schedule of payments.

It shall be the duty of the Board of Trustees of the Association to periodically fix the amount of an assessment against each Lot for such assessment period and the Board of Trustees shall make reasonable efforts to fix the amount of an assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at the time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association or its agent and shall be opened to inspection by any owner upon reasonable notice to the Board. Written notice of an assessment shall thereupon be sent to the Owner of any Lot subject thereto. Any Annual Assessment subsequent to the first Annual Assessment shall become a lien on January 1 of each year; and any Special Assessments shall become a lien at the time designated by the Board of Trustees. No notice of lien other than this Declaration need be recorded to establish the validity of any such lien, and this Declaration shall stand as notice thereof.

Section 7. Assessment of Declarant. Any provision of this Declaration or of the Articles of Incorporation or By-Laws of the Association notwithstanding, Declarant, while there exists a Class B Member, shall be required to pay an assessment for any recorded, unsettled Lot in which such Declarant has the interest otherwise required for Class A membership only in an amount equal to ten percent (10%) of the Annual Common Area Assessment, Annual Maintenance Assessment, Special Common Area Assessment and Special Maintenance Assessment, which the Association levies for purposes set forth in Article V, Section 2, 3 and 7.

Section 8. Assessment Certificates. The Association shall, upon demand, at any reasonable time, furnish to the Owner liable for assessment a certificate in writing signed by an officer or other authorized agent of the Association, setting forth the status of an assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid. A reasonable charge may be levied in advance by the Association for each certificate so delivered.

Section 9. Non-Payment of Assessment. Any assessment levied pursuant to these covenants which is not paid on the date when due shall be delinquent and shall, together with such interest thereon and cost of collection thereof, as hereinafter provided, thereupon become a continuing lien upon the property which shall bind such Lot in the hands of the then Owner, his heirs, devisees, person representatives and assigns. The personal obligation of the then Owner to pay any assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them with the consent of Association.

If any assessment is not paid within fifteen (15) days after due date, such assessment shall bear interest at the rate of ten percent (10%) per annum, and Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, in either of which events interest, costs and reasonable attorney's fees shall be added to the amount of such assessment. No owner shall waive or otherwise escape liability for the assessments herein provided for by non-use of the Common Areas or community facilities or abandonment of his Lot.

In addition to the ten percent (10%) per annum interest provided above, the Board of Trustees in its discretion, may establish a reasonable late charge to be paid in the event of an assessment that is not paid within fifteen (15) days after due date, provided that such late charge shall not exceed a sum equal to ten (10%) percent of the amount of the assessment which is delinquent by fifteen (15) days.

Section 10. Subordination of Lien to Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, any first mortgagee who obtains title to a Lot pursuant to the remedies in the mortgage or through foreclosure shall not be liable for more than six (6) months of the Lot's unpaid assessments and/or charges accrued before the acquisition of title to the Lot by the Mortgagee.

Section 11. Common Area Assessment at Closing. Within sixty (60) days after the date of closing, each purchaser of a Lot shall be required to pay a pro rata share of the annual Common Area Assessment for the balance of the current year to the extent that such assessment is not otherwise being collected by the Association. Declarant shall be exempt from the assessments collected pursuant to this section.

ARTICLE VI

INSURANCE

Section 1. Liability Insurance. Association shall obtain and maintain a Comprehensive policy of public liability insurance covering the Common Areas and any other facilities insuring the Association, Trustees, and Owners and members and their respective families, tenants and occupants in an amount of not less than One Million Dollars (\$1,000,000.00) per occurrence for personal injury and/or property damage. This insurance shall include protection against such risks as are customarily covered with respect to a development similar in construction, location and use, as determined by the Board. The insurance shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of a residential Owner, tenant or occupant because of negligent acts of the Association, the Board, or other Owners, tenants or occupants.

Section 2. Casualty Insurance. The Association shall obtain and maintain fire, lightening and extended coverage or similar insurance in an amount of not less than one hundred percent (100%) of the replacement cost thereof on all Common Areas and any community facilities. This insurance shall include protection against such risks as are customarily covered with respect to a development similar in construction, location and use, as determined by the Board. Said insurance shall be payable to the Association and the proceeds from which shall be used to restore or replace any Common Area or community facility damaged or destroyed by any peril covered by said insurance.

Section 3. Other Insurance; Allocation. The Association shall hold the Trustees and Officers harmless for any acts performed in furtherance of their duties and shall hold them harmless from all liability. In addition, the Association shall obtain and maintain Trustees' and Officers' liability insurance and such other insurance as the Board may deem desirable from time to time. The cost of any insurance purchased pursuant to this Article VI shall be allocated to the

Common Areas and community facilities in such percentage as determined by the Board from time to time.

Section 4. Insufficient Insurance. In the event the improvements forming a part of the Common Areas, any community facilities or any portion thereof shall suffer damage or destruction from any cause or peril which shall not be sufficient to pay the cost of repair, restoration or reconstruction, then, the Association shall advance such costs in excess of available insurance proceeds. The amount so advanced by the Association shall become a Special Assessment against all of the Lots for whose benefit the amount was so advanced, and such assessment shall have the same force and effect, and if not paid, may be enforced in the same manner as herein provided for the nonpayment of assessments. The action required to be taken by the Association under this Section shall not require any vote of the Members of the Association.

Section 5. Fidelity Bonds. The Board or Management Company shall obtain fidelity bond coverage, naming the Association or Management Company as an insured, with respect to any person or agent handling Association funds in an amount not less than Five Thousand Dollars (\$5,000.00) or as determined by the Board or Management Company.

ARTICLE VII

COMMITTEES

Section 1. Finance and Maintenance Committee; Other Committee. The Board of Trustees may appoint a Finance and Maintenance Committee consisting of not more than five (5) members of the Association. This Committee shall prepare the annual budget of the Association for submission to the Board of Trustees. The Committee shall also make recommendations to The Board of Trustees as to the amount of Annual Assessments to be levied by the Board of Trustees. Additionally, the Committee shall make recommendations to the Board of Trustees as to the needs, repairs and monetary requirements for the Common Areas and any community facilities.

The Board, at its discretion, shall have the right to appoint other Committees, including Architectural Control Committees as provided in Article VIII.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Approval Required. Except for original construction of residences, Common Areas, community facilities or other structures by Declarant or builders, no building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, material, and location of the same shall have been submitted to and approved in writing by an Architectural Control Committee appointed by the Board of Trustees of the Association. Such plans and specifications shall be reviewed by the appropriate Committee as to harmony of external design and location in relation to surrounding structures and topography in accordance with the requirements hereinafter set forth. Except as otherwise provided for in the Declaration, in the event such Committee fails to approve or disapprove said plans and specifications (associated with the remodeling of a dwelling and

related improvements) within thirty (30) day after submission, approval will not be required and this Article shall be deemed fully complied with. In the event that no such committee has been designated or elected, then the Declarant shall act as the Architectural Control Committee.

Section 2. Variances. In order to avoid unnecessary hardship and/or to overcome practical difficulties in the application of certain provisions of the Declaration, the Board shall have the authority to grant reasonable variances from the provisions of Article VIII, Section 2. Additionally, so long as Declarant owns one or more Lots on the Property, Declarant may grant reasonable variances from the provisions of Article VIII, Section 2 with respect to Lots owned or sold by Declarant. No variance shall materially injure or materially adversely affect any other part of the Property or any other Owner or occupant. No variance granted pursuant to the authority of this Section 3 shall constitute a waiver of any provision of the Declaration as applied to any other party or other part of the Property, and no variance may be granted to permit anything that is prohibited by applicable law. All provisions of the Declaration not affected by the grant of a variance shall continue to apply with full force and effect to the Lot for which the variance is granted and to the balance of the Property.

ARTICLE IX

USE RESTRICTIONS AND MAINTENANCE

Section 1. Restrictions - ASHFORD VILLAGE SUBDIVISION. All Lots in ASHFORD VILLAGE SUBDIVISION shall be subject to the following restrictions:

- (a) All lots shall be used for single family residential purposes and no lot shall be subdivided in order to make additional lots; however, Mills Road, LLC, reserves the right to designate lots for construction of model home and sales offices for promotional and display purposes whether for itself or for its assigns. Included in this reservation is the right to permit construction and maintenance of sales and promotional signs. Additionally, Mills Road, LLC, reserves the right to designate lots for construction of common ammenities such as clubhouses, pools, recreational facilities, etc.
- (b) No residence shall contain less than 1,500 square feet of gross living space. No residence of two stories or more shall contain less than 1,800 square feet of gross living space. Gross living space shall be measured from outside frame to outside frame of conditioned area. No residence shall be constructed without prior written approval of the Mills Road, LLC, as to design. Each residence shall be equipped with at least a two (2) car garage, either attached or in the basement. There shall be no detached garages. Each residence shall be constructed with brick or stone wrap on the first floor. Mostly all vinyl and/or aluminum siding shall not be allowed.
- (c) All driveway surfaces must be constructed of concrete, asphalt, paving stone or brick. In the event that the garage faces the street, said driveway shall be at least two (2) cars wide. In the event that the garage is rear or side entry, the driveway shall be equipped with a parking pad.

- (d) No structure of a temporary or permanent character, trailer, barn, storage shed, above ground pool or other outbuildings shall be built, used or maintained on any lot except that a storage building not exceeding 150 square feet may be built in the area to the rear of the house, within twenty five (25) feet of the house. No other outbuildings are permitted. Decks and gazebos are not considered outbuildings and are permitted.
- (e) No fences shall be built on any part of a lot between the rear of the residence constructed thereon and the street in the front of the residence. On corner lots, the section(s) of the fence running with the side street shall not extend closer to the side street at any point than the residence on said lot. Any fence built on any lot shall be constructed of split rail with optional mesh wire. Said fence shall be of natural color.
- (f) All antennas or receivers must be attached to the residence on a lot. No satellite dish over thirty six (36) inches in height and width of any kind shall be permitted to be placed, either permanently or temporarily, on any lot.
- (g) No trucks larger than one (1) ton, boats, trailers, or campers may be parked on any part of a lot, except in a completely enclosed garage or in the rear of the residence, within twenty (20) feet of said residence. Storage of mobile homes, motor homes, buses, delivery vans, or heavy equipment is prohibited on any lot. No inoperable vehicle shall be allowed outside any residence for a period longer than seven (7) days.
- (h) Mills Road, LLC, expressly reserves to itself, or its designee, the sole and exclusive right to establish grades, slopes, swales, and contours on the land within the subdivision and to fix the grade at which any building shall be hereafter erected or placed thereon, so that the same may conform to a general place, subject also, however, to local building code restrictions.
- (i) Easements for installation and maintenance of utilities and signage are reserved as shown on the recorded plats. Said utilities to be located underground. No structure, planting, or other material other than driveways or sidewalks shall be placed or permitted to remain on any lot which may damage or interfere with any easement for the installation or maintenance of utilities, or which may change, obstruct, alter, or retard direction or flow of any drainage channels. The easement area of each lot and all improvements in it shall be maintained continually by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.
- (j) No noxious or offensive trade or activity shall be carried on upon any lot or within any residence situated upon the lot, nor shall anything be done therein or thereon which may be done or become any annoyance or nuisance to the neighborhood or the other owners of lots in the subdivision.
- (k) The owners of said lots shall keep the same clean, neat and sanitary at all times. Said lots shall be mowed, and kept free from weeds, high grass, brush and rubbish, and the same may not be used for storage purposes, including but not limited to junked or inoperative motor vehicles, and no persons may store building materials or extraneous materials, and upon said owner's failure to keep said property in such condition, the undersigned, their successors and assigns, shall have the right to cause the same to be cleaned, mowed and such rubbish or trash and materials removed therefrom at the cost and expense of the owner. If the owner fails to pay the bill for such work, the

undersigned, their successors and assigns, shall have the right to file a mechanic's lien against said property for such costs, subject to all rights and privileges as defined in the statutes of Kentucky relating to mechanic's liens.

- (l) No animals, livestock, horses, ponies, or poultry of any kind shall be raised, bred, or kept on any lot, except that dogs, cats, or household pets may be kept, provided that they are not kept, bred, or maintained for any commercial purpose.
- (m) Mills Road, LLC, shall install at its cost upgraded decorative street lighting. Cost of service of said street lighting shall be borne by the Home Owners Association. The purchaser of each lot shall be responsible for installing city approved sidewalks on each lot. Mills Road, LLC, and all lot purchasers agree to retain as much original vegetation and trees as practical from an engineering standpoint, in order to retain any buffer zones.
- (n) These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date thereof. These covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part.
- (o) The Declarant reserves the right to construct a Pool and Pool House, on such lot as shall be determined by the Declarant. Absolutely no alcoholic beverages shall be served at or around the Pool and Pool House. Access to the Pool and Pool House shall be by Members only. There shall be a locked gate around the Pool and Pool House area at all times. Members may be given a key by the Association to the Pool and Pool House. This key must be returned when the Member's membership in the Association ceases. Failure to return the Pool and Pool House key shall result in a fine and lien on the Member's Lot. These rules and restrictions are in addition to any and all other rules and regulations established by the Board of Directors concerning the Pool and Pool House, which may be adopted from time to time, and which, upon adoption shall be enforceable to the same extent as if they were set forth herein.
- (p) Enforcement shall be by proceeding of law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages.
- (q) Invalidation of any one of these covenants by judgment or court order shall in no way effect any of the other provisions which shall remain in full force or effect.
- (r) Notwithstanding any provision to the contrary, Mills Road, LLC, shall, in its sole and absolute discretion, have the ability to alter, amend, modify, or vacate any provision in this Article that it shall deem appropriate to do so.

ARTICLE X

MISCELLANEOUS

Section 1. Duration. Except as otherwise provided and except where permanent or perpetual easements or other permanent rights or interest are herein created, the terms and provisions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or by any of the Lot Owners, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date of recordation of this Declaration, after which the Declaration shall be automatically extended for successive periods of ten (10) years in perpetuity, unless a recorded instrument signed by the then Owners of two-thirds (2/3) of the Lots have been recorded, agreeing to terminate the Declaration.

Section 2. Amendment. The Declaration may be amended, from time to time as follows:

(a) By Declarant. The Declarant reserves the right and power, and each Lot Owner by acceptance of a deed to a Lot is deemed to consent to and does with an interest, which shall run with the title to the Lot, and is irrevocable except by Declarant for a period of five (5) years from the date hereof, to amend this Declaration to the extent necessary to conform to the original intent of this document, or to the extent necessary to conform to any requirements imposed or requested by any governmental agency, public authority or financial institution, (including the U.S. Department of Housing and Urban Development, the U.S. Veteran's Administration, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Environmental Protection Agency or similar agency), without the approval of the Lots Owners, or to the extent necessary to enable Declarant, in the Declarant's sole-discretion, to meet any other reasonable need or requirement in order to complete the development of the Property or to facilitate the making and marketing of first mortgages upon any of the Lots. Any amendment must be recorded and shall take effect only upon recording.

Additionally, the Declarant shall have the right to amend the Declaration as provided in Article II, Section 3 in order to annex additional property to the terms of this Declaration.

(b) By Lot Owners. Except as otherwise provided in this Declaration, this Declaration may be amended at any time by an instrument executed by persons or entities enabled to exercise seventy-five (75%) of the voting power of the Association; provided, however, that Declarant's rights hereunder may not be amended or altered without Declarant's prior written consent. Any amendment must be recorded and shall take effect only upon recording.

Section 3. Personal Liability. Nothing in this Declaration, the Articles or the regulations of the Association, or any rules or regulations enacted pursuant to any of the aforesaid, shall impose personal liability upon any Member of the Board of Trustees or any officer of the Association acting in his capacity as such, for the maintenance, repair or replacement of any part of the Common Areas and/or community facilities or give rise to a cause of action against any of them except for damages resulting from their own willful omissions or misconduct and each person who becomes an Owner or Member hereby releases and discharges all liability for injury or damages to such Member or Owner or to such Member's or Owner's property and covenants not to initiate any legal proceedings against any such person or persons unless such said person is covered by insurance and in such event the amount of recovery shall be limited in the

amount of insurance.

Section 4. Notices. Any notice required to be sent to any Member or owner under the provisions of Declaration shall be deemed to have been properly sent when mailed, by first class mail, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 5. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenants or restrictions, either to restrain or to enjoin violation or to recover damages, and against the land to enforce any lien created by these covenants; and the failure or forbearance by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 6. Severability. Invalidation of any one of these covenants or restrictions by judgment, decree or order shall in no way effect any other provision hereof, each of which shall remain in full force and effect.

Section 7. Conflicts. In the case of any conflict between this Declaration and either the Articles of Incorporation or the By-Laws of the Association, the Declaration shall control.

Section 8. Condemnation. In the event any Common Area and/or any community facilities or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or otherwise sought to be acquired by a condemning authority, the proceeds of any award or settlement shall be distributed to the Association for the common benefit of the appropriate Members.

Section 9. Professional Management Contracts and Other Contracts. The Association may delegate all or any portion of its authority to discharge its responsibilities herein to a manager or managing agent. Any management agreement shall not exceed three (3) years and shall provide for termination by either party without cause or without payment of a termination fee on ninety (90) days or less written notice.

Section 10. Non-Liability of Declarant or Declarant. Neither Declarant nor their representatives, successors or assigns shall be liable for any claim whatsoever arising out of or by reason of any actions performed pursuant to any authorities granted or delegated to them by or pursuant to this Declaration or the By-Laws, whether or not such claims shall be asserted by an Owner, Occupant, the Association, or by any person or entity claiming through any of them; or shall be on account of injury to person or damage to or loss of property wherever located and however caused. Without limiting the generality of the foregoing, the foregoing enumeration includes all claims for, or arising by reason of, the Property or any part thereof, arising out of repair or by reason of any act or neglect of any Owner, Occupant, the Association and their representative agents, employees, guests and invitees or by reason of any neighboring property or personal property located on or about the Property, or by reason of the failure to furnish or disrepair of any utility services (heat, air conditioning, electricity, gas, water, sewage, etc.) except as provided by any written warranty provided by the Declarant to an Owner or the Association.

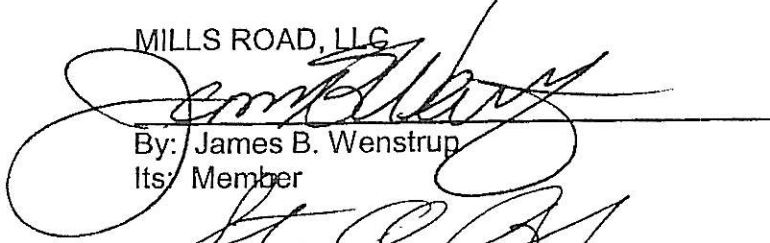
Section 11. Action by Declarant. Any provision in the Declaration or the By-Laws which requires or permits any action to be taken by Declarant shall only be effective in the event such

action is evidenced in writing and signed by MILLS ROAD, LLC or their respective successors or assigns.

Section 12. Gender and Grammar. The singular, whenever used shall be construed to mean plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or other forms of business organizations, or individuals, men or women, shall in all cases be assumed as though in such case fully expressed.

IN WITNESS WHEREOF, the said MILLS ROAD, LLC., a Kentucky Limited Liability company, has hereunto set their signatures on the day and year first written above.

MILLS ROAD, LLC



By: James B. Wenstrup
Its: Member



By: Mavericks, Inc., a Kentucky Corporation
By: Stephen A. Berling
Its: President
Its: Member

COMMONWEALTH OF KENTUCKY:]
] SS:
COUNTY OF KENTON

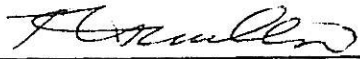
The foregoing instrument was acknowledged before me this 5th day of December, 2003 by James B. Wenstrup and Mavericks, Inc., a Kentucky Corporation, by Stephen A. Berling, President, Members of MILLS ROAD, LLC. on behalf of said Limited Liability Company and the same are their voluntary acts and deed.

My Commission Expires: 9/24/04


Notary Public

This Instrument Prepared By:

VI-1202Pg068



Ronald G. Mullen
Attorney-At-Law
8080 Steilen Drive
Florence, Kentucky 41042

Exhibit A



JAMES W. BERLING ENGINEERING, PLLC

Land Surveying • Site Development • Civil Engineering Services • Land Planning

1671 PARK ROAD, SUITE ONE • FT. WRIGHT, KENTUCKY 41011 • (859) 331-9191 • FAX (859) 344-7427

KY Registration No. 5764

Land Surveyor Registration KY 2106

September 12, 2002

VI-1202Pg069

072-00-00-031.02

LEGAL DESCRIPTION

CLINT & LORAIN FURNASH

65.7907 ACRES

Beginning at a point in the west line of the newly dedicated right of way of Old Decoursey Road, now known as Marshall Road, said point being the intersection of same with the grantor's south line, and being in the north line of Jarboe; thence along the west line of Old Decoursey Road, now known as Marshall Road, N-20°-17'-54"-E 445.67 feet, N-20°-29'-12"-E 413.90 feet, and N-21°-26'-42"-E 117.38 feet to a point; thence continuing along the west line of said road in a northerly direction as it curves to the left with a radius of 270.00 feet, an arc distance of 134.45 feet to a point; thence N-7°-05'-07"-W along the west line of said road 144.60 feet to a point; thence in a northerly direction along the west line of said road as it curves to the right with a radius of 730.00 feet, an arc distance of 255.35 feet to a point; thence leaving Old Decoursey Road, now known as Marshall Road, and following along a line 20.00 feet southwest of and parallel to the grantor's northeast line N-64°-17'-27"-W 271.00 feet, N-65°-54'-12"-W 524.40 feet, and N-42°-07'-12"-W 214.52 feet to a point; thence through the land of the grantor S-48°-05'-51"-W 397.68 feet to a point; thence continuing through the land of the grantor in a southwesterly direction along a curve as it deflects to the right with a radius of 241.92 feet, an arc distance of 154.29 feet to a point; thence S-84°-38'-22"-W through the lands of the grantor 412.78 feet to a point; thence continuing through the land of the grantor in a southwesterly direction along a curve as it deflects to the left with a radius of 391.63 feet, an arc distance of 230.03 feet to a point; thence S-50°-59'-09"-W 126.34 feet to a point; thence continuing through the land of the grantor in a southwesterly direction along a curve as it deflects to the right with a radius of 118.24 feet, an arc distance of 82.28 feet to a point; thence N-89°-08'-30"-W 194.02 feet to a point; thence continuing through the land of the grantor in a westerly direction along a curve as it deflects to the left with a radius of 302.65 feet, an arc distance of 204.71 feet to a point; thence S-52°-06'-14"-W 7.16 feet to a point in the northeast line of the grantor's 6.38 acre tract; thence along same S-35°-21'-55"-E 25.91 feet to the east corner of said 6.38 acre tract; thence through the land of the grantor S-52°-06'-14"-W 338.59 feet to a point in the newly dedicated northeast right of way line of Mills Road; thence S-40°-00'-06"-E along the right of way line of Mills Road (30 feet from centerline) 908.51 feet to a point; thence leaving Mills Road following along the grantor's southeast line and the northwest line of Robke, N-46°-32'-40"-E 574.41 feet to a corner; thence along the grantor's south line and the north line of Robke S-46°-17'-20"-E 180.63 feet to a point; thence along the grantor's south line and the north line of Perry N-49°-21'-40"-E 42.88 feet, and S-61°-08'-39"-E 245.87 feet to a point; thence along the grantor's south line and along the north lines of Niece, Minor, and Jarboe S-60°-33'-23"-E 1,154.76 feet to the place of beginning.

Containing 65.7907 Acres



Exhibit A

JAMES W. BERLING ENGINEERING, PLLC

Land Surveying • Site Development • Civil Engineering Services • Land Planning

1671 PARK ROAD, SUITE ONE • FT. WRIGHT, KENTUCKY 41011 • (859) 331-9191 • FAX (859) 344-7422

KY License No. 3745

Land Surveyor License KY 206

v1-1202Pg070

September 24, 2003

072-00-00-031.03

LEGAL DESCRIPTION

U. S. BANK, N.A. (FORMERLY PEOPLES LIBERTY BANK)

PARCEL "B"

Beginning at a point in the north corner of Clint and Loraine Fornash (Deed Book 112, Page 562), said point also being the west corner of U. S. Bank, N.A. (Deed Book 290, Page 44); thence S-35°-21'-55"-E along the common line between Clint and Loraine Fornash and U. S. Bank, N.A., 691.68 feet to a point; thence leaving same along the common line between U. S. Bank, N.A. and Mills Road, L.L.C. (Deed Book I-725, Page 179) N-51°-25'-32"-E 7.16 feet; thence in a southeasterly direction along a curve as it deflects to the right with a radius of 302.65 feet, an arc distance of 204.71 feet to a point; thence S-89°-08'-30"-E 194.02 feet to a point; thence continuing along the common line between U. S. Bank, N.A. and Mills Road, L.L.C. in a northeasterly direction as it curves to the left with a radius of 118.24 feet, an arc distance of 82.28 feet to a point; thence N-50°-59'-09"-E 126.34 feet to a point; thence continuing along the common line between U. S. Bank, N.A. and Mills Road, L.L.C. in an easterly direction as it curves to the right with a radius of 391.63 feet, an arc distance of 230.03 feet to a point; thence N-84°-38'-22"-E 355.84 feet to a point; thence leaving same and running through the lands of the grantor N-40°-32'-43"-W 1,202.37 feet to a point in the northwest line of U. S. Bank, N.A. and the southeast line of Hatfield (Deed Book I-408, Page 327); thence S-49°-27'-17"-W along the common line between U. S. Bank, N.A. and Hatfield 983.77 feet to the place of beginning.

Containing 21.7235 Acres

EXHIBIT "A"

Parcel One:

072-00-03-001.00 ✓	072-00-03-009.00 ✓
072-00-03-002.00 ✓	072-00-03-010.00 ✓
072-00-03-003.00 ✓	072-00-03-011.00 ✓
072-00-03-004.00 ✓	072-00-03-012.00 ✓
072-00-03-005.00 ✓	072-00-03-013.00 ✓
072-00-03-006.00 ✓	072-00-03-133.00 ✓
072-00-03-007.00 ✓	072-00-03-180.00 ✓
072-00-03-008.00 ✓	

Being all of Lots 1 – 13, 133 and 180, Ashford Village Subdivision, Section One (1) as shown on plat recorded in Plat Slide A-564 of the Kenton County Clerk's records at Independence, Kentucky.

Parcel Two:

072-00-03-014.00 ✓	072-00-03-022.00 ✓
072-00-03-015.00 ✓	072-00-03-023.00 ✓
072-00-03-016.00 ✓	072-00-03-106.00 ✓
072-00-03-017.00 ✓	072-00-03-107.00 ✓
072-00-03-018.00 ✓	072-00-03-108.00 ✓
072-00-03-019.00 ✓	072-00-03-109.00 ✓
072-00-03-020.00 ✓	072-00-03-110.00 ✓
072-00-03-021.00 ✓	

Being all of Lots 14 – 23, 106 – 110, Ashford Village Subdivision, Section Two (2) as shown on plat recorded in Plat Slide A-565 of the Kenton County Clerk's records at Independence, Kentucky.