

BY-LAWS OF THE COUNCIL OF CO-OWNERS  
OF CONDOMINIUM PROPERTY REGIME  
OF  
SURREY PLACE CONDOMINIUM

The following By-Laws are adopted pursuant to law for the condominium project known as Surrey Place Condominiums (herein called "Surrey Place"), located at 3922 Massie Avenue, Jefferson County, Kentucky, as described in and created by Master Deed and Declaration of Condominium Property Regime (herein called the "Declaration") dated July 7, 1982, and recorded in Deed Book 5298, Page 21 and as thereafter Amended by Recorded Amendments thereto, all in the Office of the County Court Clerk of Jefferson County, Kentucky. These By-Laws shall apply to all present and future owners, tenants and occupants of any units of Surrey Place and all other persons who shall at any time use Surrey Place.

ARTICLE I

MEMBERSHIP

Section 1. Qualifications. All owners of units of Surrey Place shall constitute the Council of Co-Owners, herein called "Council." The owner of any unit upon acquiring title thereto shall automatically become a member of the Council and shall remain a member thereof until such time as his or her ownership of such unit ceases for any reason, at which time such membership in the Council shall automatically cease. Voting shall be on the basis of unit ownership, i.e., one unit - one vote.

Section 2. Place of Meetings. Meetings of the Council shall be held at Surrey Place or such other suitable place convenient to the owners as may be designated by the Board of Administration.

Section 3. Annual Meetings. The first annual meeting of the Council shall be held on the second Tuesday in May, 1990. Thereafter, the annual meetings of the Council shall be each year on the first Monday of May.

Section 4. Special Meetings. Special meetings of the Council may be held at any time upon the call of the President or a petition signed by at least four owners of units and presented to the Secretary.

Section 5. Notice of Meetings. The Secretary shall give written or printed notice of each annual and special meeting to every owner according to the Council's record of ownership, at least ten (10) days before the day set for such meeting, stating whether it is an annual or special meeting, the authority for the call thereof, in any of the following ways: (a) by delivering it to said owner personally, or (b) by leaving it at his unit in Surrey Place, or (c) by mailing it postage prepaid, addressed to him at his address as it appears on the Council's record of ownership, or (d) by mailing it, postage prepaid, addressed to him at such other address, temporary or permanent, as is furnished in writing to the Secretary. If notice is given pursuant to the provisions of this section, the failure of any owner to receive actual notice of any meeting shall in no way invalidate such meeting or any proceedings thereat. The presence of any owner in person or by proxy at any meeting shall be deemed a waiver of any required notice to such owner unless he or she shall at the opening thereof object to the holding of such meeting because of the

failure to give notice in accordance with the provisions thereof. Any owner may waive notice in writing before or after any meeting.

Section 6. Lessee. In the event an owner leases his or her unit to another party who resides in the unit, the owner may file with the Secretary of the Council a revocable Proxy-Consent designating a single resident lessee of said unit as said owner's attorney-in-fact to receive notices of all regular and special meetings until the proxy is revoked or the owner is deceased. In such event, the Secretary shall not be required to give further notice to the owner until the death of said owner or the Secretary has received from the owner a revocation of said Proxy-Consent. Notice to the resident lessee hereunder shall constitute valid notice to the owner.

Section 7. Quorum. The presence at any meeting in person or by proxy of a majority of the unit owners including any designated resident lessee shall constitute a quorum. At any meeting at which a quorum is present the acts of a majority of the unit owners shall be the acts of the Council. The term "majority of unit owners" in these By-Laws means the owners of greater than Fifty Percent (50%) of completed units in the regime.

Section 8. Voting. Voting shall be on a unit basis. Votes may be cast in person or by proxy by the respective owners as shown in the record of ownership of the Council. The filing of the Proxy-Consent as provided for in Section 6 shall entitle the resident lessee to cast that owner's vote. An executor, administrator, guardian or trustee may vote in person or by proxy

at any meeting of the Council for any unit owned or controlled in such fiduciary capacity, whether or not the same shall have been transferred in the Council's record of ownership, provided that such fiduciary shall first present evidence satisfactory to the Secretary that the fiduciary owns or controls such unit in such capacity.

Section 9. Proxies and Pledges. The authority given by any owner to another person to represent him or her at meetings of the Council shall be in writing, signed by such owner and filed with the Secretary, and unless limited by its terms shall continue until revoked by a writing filed with the Secretary or by the death of such owner. Voting rights transferred or pledged by mortgage, deed of trust, or agreement of sale of any unit or interest therein, a true copy of which is filed with the Board through the Secretary, shall be exercised only by the person designated in such instrument until the written release or other termination thereof is filed with the counsel in like manner.

Section 10. Adjournment. Any meeting of the Council may be adjourned from time to time to such place and time as may be determined by majority vote of the owners present, whether or not a quorum be present, without notice other than the announcement at such meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

Section 11. Unanimous Consent. Any action to be taken at a meeting of the Council may be taken without a meeting if a

consent in writing setting forth the action so taken shall be signed by all of the owners or resident lessees entitled to vote with respect to the subject matter thereof. Such consent shall have the same effect as a unanimous vote of the owners or resident lessees.

## ARTICLE II

### OFFICERS

Section 1. Designation. The principal officers of the Council shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Council of Co-Owners and each of whom shall be an owner of an interest in a unit of Surrey Place or a resident immediate family member of such owner, or the duly authorized proxy of such owner. These four officials shall constitute the Board of Administration (hereinafter called the "Board") and shall serve without compensation.

Section 2. Election and Term. The officers of the Council shall serve one year terms and be elected annually at the annual meeting.

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

Section 4. President. The President shall be the chief executive officer of Council and shall preside at all meetings of the Council and of the Board. Subject to the control of the Board, the President shall exercise general supervision and direction over

the management and conduct of the business and affairs of the Council. The President shall also have such other powers and duties as may be provided by these By-Laws or assigned to from time to time by the Board.

Section 5. Vice-President. The Vice-President shall exercise general supervision and direction over the management and conduct of the business affairs of the council in the absence from the city or incapacitation of the President.

Section 6. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Council and of the Board, give all notices thereof as provided by these By-Laws, maintain and keep a continuous and accurate record of ownership of all units, have charge of such books, documents and records of the Council as the Board may direct.

Section 7. Treasurer. The Treasurer shall maintain and keep the financial records and books of account of the Council, prepare regular reports thereof and be responsible for the proper deposit and custody, in the name of the Council, of all its funds and securities.

Section 8. Auditor. The Council may appoint annually an accountant or accounting firm as auditor, who may not be an officer of the Council nor own any interest in any unit, to independently audit the books and financial records of the Council.

## ARTICLE III

### BOARD OF ADMINISTRATION

Section 1. Powers. The Board shall have all powers necessary for the administration of the affairs of the Council and may do all such acts and things therefore as are not prohibited by law, or by the Declaration or these By-Laws directed to be exercised or done only by the owners. The Board shall be responsible for compliance with and enforcement of the terms of the Declaration.

Section 2. Vacancies. Vacancies in the Board caused by any reason other than removal by the Council shall be filled by vote of a majority of the remaining Board members, even though they may constitute less than a quorum of the Council, and the person so elected shall be a Board member until a successor is elected at the next annual meeting of the Council. Death, incapacity or resignation of any Board member or continuous absence from the Commonwealth of Kentucky for more than six (6) months, shall cause said office to become vacant.

Section 3. Removal of Board Members. At any regular or special meeting of the Council duly called, any one or more of the Board members may be removed with or without cause by vote of a majority of owners and a successor may then and there be elected to fill the vacancy thus created. Any Board member whose removal has been proposed by the owners shall be given an opportunity to be heard at such meeting.

Section 4. Annual Meeting. An organizational meeting of the Board shall be held at the place of and immediately following each annual meeting of the Council, and no notice shall be necessary to any Board members in order to validly constitute such meeting, provided that a majority of the whole Board shall be present.

Section 5. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board members. Notice of regular meetings of the Board shall be given to each Board member, personally or by mail, telephone or telegraph, at least one day prior to the date of such meeting.

Section 6. Special Meetings. Special meetings of the Board may be called by the President on at least eight hours notice to each Board member, given personally or by telephone or telegraph and received, which notice shall state the time, place and purpose of such meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and with like notice on the written request of at least two Board members.

Section 7. Waiver of Notice. Before or at any meeting of the Board any Board member may in writing waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be waiver of notice to that member of such meeting. If all the Board members are present at any meeting of the Board, no



notice thereof shall be required, and any business may be transacted at such meeting.

Section 8. Quorum of Board. At all meetings of the Board a majority of the total number of Board members established by these By-Laws shall constitute a quorum for the transaction of business, and the acts of a majority present at any meeting at which a quorum is present shall be the acts of the Board. If less than a quorum shall be present at any meeting of the Board, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 9. Fidelity Bonds. The Board may require that all officers, employees and agents of the Council handling or responsible for its funds, shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Council.

#### ARTICLE IV

##### ADMINISTRATION

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

(a) Supervision of the immediate management and operation of Surrey Place;

(b) Maintenance, repair, replacement and restoration of the common elements and any additions and alterations thereto;

(c) Purchase, maintenance and replacement of any equipment and to provide for all water and utility services required for the common elements;

(d) Preparation at least 30 days before the beginning of each fiscal year of a proposed budget and schedule of assessments for such year;

(e) Collection of all installments of assessments levied and payment of all common expenses authorized by the Board;

(f) Purchase and maintenance in effect of all policies of hazard and liability insurance for Surrey Place required by the Declaration and such other insurance and bonds as may be required or authorized by the Declaration, the Council or the Board;

(g) Notification of all persons having an interest in any unit according to the Council's record of ownership of delinquency exceeding 60 days in the payment of any assessment against such unit;

(h) Supervision of the use of the common elements.

Section 2. Managing Agent. The Board may employ from time to time a responsible Managing Agent to manage and control Surrey Place subject at all times to direction by the Board, with all the administrative functions set forth specifically in preceding Section 1, and such other powers and duties, and at such compensation as the Board may establish.

Section 3. Representation. The President or Managing Agent, subject to the direction of the Board, shall represent the Council or any two or more unit owners similarly situated as a

class in any action, suit, hearing or other proceeding concerning the Council, the common elements or more than one unit, and on its or their behalf may institute, defend, intervene in, prosecute and settle any such actions, suits and proceedings without prejudice to the rights of any unit owners individually to appear, sue or be sued. Service of process in any such action, suit or proceeding may be made on the President or Managing Agent.

Section 4. Execution of Instruments. All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Council by such person or persons as shall be provided by general or special resolution of the Board, or in the absence of any such resolution applicable to such instrument, by any two of the elected officers of the Council.

## ARTICLE V

### OBLIGATION OF OWNERS

Section 1. Assessments. All unit owners shall pay to the Board or its designee, in advance, on the first day of each quarter the quarterly assessments against their respective units for common expenses of Surrey Place in accordance with the Declaration, said quarterly sum determined by the Board to be sufficient to accumulate and pay when due all expenses, taxes, assessments and other charges of maintenance and operation payable by the owner of such unit. All assessments paid to the Board by the unit owners, in operating and maintenance accounts, shall be and remain under the control of the Council of Co-Owners and shall not revert to the unit owner in event of sale or other transfer of

the unit or pass to the estate of the unit owner in the event of death of said owner.

Section 2. Maintenance of Units. Every unit owner shall at his or her own expense at all times well and substantially repair, maintain, amend and keep his or her unit and limited common elements, including without limitation, all internal installations therein, such as water, electricity, gas, telephone, sewer, sanitation, air conditioning, lights and all other fixtures and accessories belonging to such unit and the interior decorated or furnished surfaces of all walls, floors and ceilings of such unit, with all necessary reparations and amendments whatsoever in good order and condition except as otherwise provided by law or in the Declaration, and shall be liable for all loss or damage whatsoever caused by the failure to perform any such work diligently, and, in case of such failure after reasonable notice to perform, shall reimburse to the Council promptly on demand all expenses incurred by it in performing any such work authorized by the Board or the Managing Agent. Every unit owner, lessee or other occupant shall reimburse the Council promptly on demand for all expenses incurred by it in repairing or replacing any uninsured loss or damage to the common elements or any furniture, furnishings and equipment thereof caused by such owner, lessee or occupant or any person under either of them and shall give prompt notice to the Board or Managing Agent of any such loss or damage or other defect in Surrey Place when discovered. All complaints brought before the Board shall be submitted in writing.

Section 3. Use of Surrey Place.

(a) All units of Surrey Place shall be used only for single-family residential purposes.

(b) All common elements of Surrey Place shall be used only for their respective purposes as designed.

(c) No owner or occupant shall place, store or maintain in the grounds or other common elements of similar nature any furniture, packages or objects of any kind or otherwise obstruct transit through such common elements or permit said elements to be unsightly or disorderly.

(d) Every owner and occupant shall at all times keep his or her unit and any entry or yard appurtenant thereto in a strictly clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now and hereafter made by any governmental authority or the Council for the time being applicable to the use of Surrey Place.

(e) No owner or occupant shall allow or suffer any waste or unlawful, improper or offensive use of said owner's unit of Surrey Place nor alter or remove any furniture, furnishings or equipment of the common elements.

(f) No owner or occupant shall erect or place any building or structure including fences and walls, or make any additions or alterations to any common element or limited common element of Surrey Place or to his or her unit, except in accordance with plans and specifications, including a detailed plot plan

prepared by a licensed architect, (if so required by the Board) unless approved in advance in writing by the Council of Co-Owners.

(g) No signs, posters or bills may be placed or maintained in Surrey Place unless approved by a majority of owners except that an owner may place and maintain "FOR SALE" OR "FOR RENT" or a similar type sign in front of Surrey Place and in front of his or her unit for a reasonable time. The sign in front of said unit is not to exceed 1-1/2 feet by 1 1/2 feet in size.

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

(i) No garments, rugs or other subjects shall be hung from the windows or other areas of Surrey Place.

(j) No refuse, garbage or trash of any kind shall be thrown, placed or kept on any common elements of Surrey Place other than for purposes of regular refuse, garbage or trash collection.

(k) No livestock, poultry, rabbits, snakes or other such animals shall be allowed or kept in any part of Surrey Place. Dogs and cats shall be allowed at Surrey Place and owners and occupants shall be permitted to own and keep at Surrey Place a maximum of one such animal per unit. If an owner or occupant owns a dog, such dog shall not be larger than 15 pounds at its maximum maturity. If a unit is sold and such purchaser owns a dog with a weight at maximum maturity greater than 15 pounds, then in that event, such dog shall be kept on a leash at all times when outside of the owner's unit and at the time such dog dies, is lost, destroyed or otherwise

disposed of, it may not be replaced in kind but may only be replaced with a dog which would conform to the requirements of this Section.

(l) Vehicle parking on common elements and on limited common elements shall be limited to surfaced parking areas, unit driveways and separate garage structures erected on the Common Elements and shall be limited to automobiles of standard passenger design. Each unit shall be entitled to one parking space for the use of its owner or occupant to be designated in that structure identified as a garage shown on the Common Element adjacent to said unit. The Council of Co-Owners may, in its discretion, promulgate rules and regulations for the use of said Common Element garage parking spaces. The parking of motor homes, recreation vehicles, trailers, mobile homes or boats shall not be permitted on any parking area or roadway.

(m) No owner or occupant shall, without the written approval of the Board, install any wiring or electrical or telephone installations, television antenna, machines or air conditioning units, or other equipment or appurtenances whatsoever on the exterior of Surrey Place or protruding through the walls, windows or roof thereof.

(n) Nothing shall be allowed, done or kept in any unit or common elements of Surrey Place which would overload or impair the floors, walls or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Council.

(o) An owner, or an agent of an owner, shall have the right to show a unit at reasonable times of the day for the purpose of sale or lease thereof.

(p) No owner or occupant shall take any action so as to interfere unreasonably with the peace and enjoyment of the residents of the other units in Surrey Place.

Section 4. House Rules. The Board may adopt, amend or repeal any rules and regulations governing details of the operation and use of Surrey Place not inconsistent with any provision of law, the Declaration or these By-Laws.

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

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

Section 7. Mortgages. Any owner who mortgages a unit, or any interest therein, shall notify the Board or Managing Agent of the name and address of said mortgagees, and also of the release



of such mortgage, and the Secretary shall maintain all such information in the record of ownership of the Council. The Board or Managing Agent at the request of any mortgagees or prospective purchasers of any unit, or interest therein, shall report to such person the amount of any assessments against such unit then due and unpaid.

Section 8. Insurance. Each unit owner shall be responsible for insuring the inner decorated or finished surfaces of all walls, floors and ceilings of their respective unit. This would include, but not be limited to, paint and wall coverings; floor coverings, plumbing, kitchen and light fixtures, appliances and heating and air conditioning units.

#### ARTICLE VI

##### Miscellaneous

Section 1. Amendments. These By-Laws may be amended in any respect not inconsistent with provisions of law or the Declaration by vote of a majority of the owners (as defined in the Declaration) at any meeting of the Council duly called for such purpose.

Section 2. Indemnification. The Council shall indemnify every Board member and officer, and their executors and administrators, against all expenses reasonably incurred by or imposed in connection with any action, suit or proceeding to which he or she may be made a party by reason of being or having been a Director or officer of the Council, except in relation to matters as to which said individual shall be finally adjudged in such

action, suit or proceeding to be liable for gross negligence or misconduct; and in the absence of such final adjudication, indemnification shall be provided only in connection with such matters as to which the Council is advised by its legal counsel that the person to be indemnified committed no such breach of duty.

The foregoing right of indemnification shall not be exclusive of any other rights to which such person may be entitled.

Section 3. Interpretation. In case any provision of these By-Laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given in effect. Nothing in these By-Laws shall be deemed or construed to authorize the Council or Board to conduct or engage in any active business for profit on behalf of any or all of the owners.

CERTIFICATE OF ADOPTION

The majority of the owners of all units of Surrey Place hereby adopted the foregoing as the By-Laws of the Council of Co-Owners of Surrey Place Condominiums at a duly called meeting of owners on the 2 day of May, 1990.

William  
PRESIDENT

Kennia Kautz  
VICE-PRESIDENT

John C. Rice  
SECRETARY

Alan A. DePree  
TREASURER