

**DECLARATION OF RESERVATIONS, COVENANTS, RESTRICTIONS AND CONDITIONS
FOR THE GREEN FARM RESORT**

WHEREAS, GF Resort L.P., a Texas Limited Partnership, qualified to do business in Kentucky (the “Declarant”), is the owner of a tract of land known and described as the Green Farm Resort in Grayson and Breckinridge Counties, Kentucky (the “Development”), which property is described in Exhibit “A” of a Deed recorded in Deed Book 308 Page 295 of the Deed Records of Grayson County, Kentucky, and in Deed Book 271 Page 454 of the Deed Records of Breckinridge County, Kentucky (the “Property”); and

WHEREAS, Declarant desires to develop the Property as a residential community with recreational facilities to be known as the “Green Farm Resort.” In furtherance thereof, Declarant will cause one or more plats of subdivided portions of the Property to be recorded in the Plat Records of Grayson and Breckinridge Counties, Kentucky (each subdivided lot of any such plat in the Property hereinafter referred to as a “Lot,” whether improved or unimproved). Residential dwellings within the Property may be of different styles, including detached residences, condominiums, homes with one or more common walls, patio homes or other types of homes; all of which shall be developed and maintained as part of a residential development of high quality, architectural design and condition. The Property will contain such roads, common areas, green belts, trails, lakes, ponds, park, tennis courts, swimming pools, club houses, recreational centers and other similar facilities as (i) Declarant shall, in its sole discretion and expense, determine appropriate or (ii) the Association, at its sole discretion and expense, shall construct or create (the “Common Areas”). The Property may also contain recreational facilities such as golf courses, pro shops, hotels, restaurants and other similar facilities as Developer, in its sole discretion and expense, deems desirable or appropriate (the “Recreational Facilities”). Each owner of a Lot (“Owner”) and immediate family (minor children and adult children (under 23 years of age) actually residing with an Owner) is entitled to all rights, privileges and uses of the Common Areas at no cost, provided all fees and dues payable to the Association (as hereinafter described) are current; and,

WHEREAS, Declarant desires to assure high quality standards for the enjoyment of the Property, and to promote the recreational interest, health, safety, and social welfare of each Owner. To Provide for the preservation, enhancement, and maintenance of the Property and the improvements thereon, Declarant desires to subject the Property to the covenants, conditions, restrictions, easements, charges and liens of this Declaration, each and all of which is and are for the benefit of the Property and each Owner; and,

WHEREAS, To provide for the efficient preservation of the Property, Developer incorporated the Green Farm Property Owner’s Association, Inc. (“the Association”), a Kentucky non-profit association, to maintain the golf course and the Common Areas in the Property. The Association has the power and duty to administer and enforce the easements, covenants, conditions, restriction, and limitations hereinafter set forth and to collect and disburse the assessments hereinafter created.

DECLARATION

NOW THEREFORE, Declarant hereby declares that the Property, and such additional property as may be added hereto by Declarant by supplement hereto, shall be held, sold, and conveyed subject to the following reservations, covenants, restrictions and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding of all parties having any right, title or interest in the Property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each Owner thereof; provided, however, that Declarant reserves the continuing, unqualified and exclusive right to alter, modify or amend any of this Declaration when in its sole opinion it is proper and necessary to do so, but subject to any applicable law governing covenants and restrictions.

I. PROPERTY OWNERS ASSOCIATION

(1) Each and every Owner (whether such ownership of a Lot or part thereof is acquired by sale, gift, foreclosure, execution, devise, inheritance or in any other way) shall become a member of the Association and membership in the Association shall be appurtenant to and may not be separated from ownership of a Lot. The purposes, rights, privileges and responsibilities of the Association and the Owners are set forth, without limitation, in the Articles of Incorporation and Bylaws of the Association and in this Declaration.

(2) The Association shall have the right and authority to: (i) issue rules and regulations applicable to the Common Areas, (ii) collect maintenance fees, late charges, interest (at the highest permitted lawful rate) and all other costs and expenses permitted by law; (iii) implement a process involving lien rights and remedies to better secure the appropriate observance of these restrictive covenants and the rules and regulations of the Association; (iv) permit the development of a residential subdivision and uses herein mandated, or directed or encouraged by government authorities having jurisdiction over the Property; and (v) exercise such other rights properly granted it under, and in accordance with, the Articles of Incorporation and Bylaws of the Association or by applicable law.

II. ARCHITECTURAL CONTROL COMMITTEE

(1) Declarant has established (i) design and construction standards for all construction, improvements and landscaping in the Property, including minimal requirements for aesthetic compatibility of the external design and color scheme of all residential dwellings in the Property and (ii) uniform procedures for the receipt of permit applications, permit issuance and inspection by the Association. An Owner will be required to obtain a copy of these standards before beginning any construction or improvement on a Lot and shall be required to deliver a copy thereto to his or her architect, designer and/or contractor. Each Owner shall comply with these standards in addition to all requirements of any applicable state, county or municipal construction codes and standards.

(2) The Board of Directors of the Association shall appoint an Architectural Control Committee ("the Committee"), composed of three or more individuals. The Committee shall function as the representative of the Association to provide for and assist in the architectural control of improvements to Lots within the Property. A majority of the Committee may designate a representative to act for it.

(3) No improvement or structure of any nature shall be erected, placed or altered on any Lot until (i) construction plans and specifications and a plot plan (showing the location of such improvements on the Lot) have been submitted to and approved by the Committee, and (ii) an approved E&S PC Plan (as described in Art III (42) of this Declaration), if required by applicable governmental authority. In addition, the Committee may require an Owner to provide evidence of financial ability to complete the proposed improvements.

(4) The Committee shall review applications for proposed improvements in order to ensure (i) conformity of the proposed improvements with the covenants, conditions and restrictions contained in this Declaration, (ii) compliance with construction standards promulgated by the Declarant, and (iii) harmony of external design and color thereof in relation to surrounding structures and topography. An application can be rejected for providing insufficient information. If an application is rejected, the Committee will detail the reasons for rejection to assist the applicant to remedy the deficiencies.

(5) If the Committee fails to approve or reject an application for proposed improvements within forty-five (45) days after actual receipt of the application by the Committee, then Committee approval shall be presumed, and the applicant shall be deemed to have fully complied with this Article II.

III. RESTRICTIONS

(1) A Lot shall not be owned by more than (i) two married couples, (ii) one married couple and two single persons, or (iii) four single persons, or by an entity that has more than four owners, shareholders, partners, or beneficiaries, the effect of which would be to give the benefits of ownership of a Lot to more than four persons; provided, however, that an entity having more than four owners, shareholders, partners or beneficiaries may own a Lot for purposes of this Declaration. Until such entity designates the persons to be Owners of its Lot, no one may exercise any privileges of ownership associated with such Lot.

(2) All Lots shall be used for single-family residential purposes only and no other structures or uses shall be permitted except on such Lots as have been, or may be, designated by the Declarant for use as multi-family dwellings, Recreational Facilities, Common Areas, roads or commercial areas or as may otherwise be properly and reasonably required for the development of the Property. Declarant reserves unto itself and its assignees the continuing and unqualified sole and exclusive right to develop, build and market multi-dwelling residences for sale as condominiums or on a fractional time period ownership basis.

(3) No commercial activity or use shall be conducted on or from any Lot not designated as a commercial area on a recorded subdivision plat, provided, however, that the sale or resale of Lots or the use of Lots for utility services shall not be considered to be commercial activity. Furthermore, the charging and collecting of golf cart rentals, locker rentals, green fees, and the operation of golf courses and tennis pro shops, hotels, restaurants, grills and other food and beverage facilities, as well as other related activities, shall be expressly permitted within the Recreational Facilities and shall not be deemed to be a violation of the terms of this section. Any areas designated for commercial use are restricted to retail services and convenience uses including the following: retail grocery, clothing, sporting goods sales, and recreational vehicle sales and rentals. Other commercial uses may be permitted by the Declarant, which do not detract from the quality of the Property.

(4) No Lot may be resubdivided in any fashion. Any person owning two or more adjoining Lots, may, however, treat such Lots as one building site, with the right of constructing improvements as otherwise permitted in this Declaration. Declarant or an Owner may file correction deeds or other similar corrective instruments to correct any surveying error and to accurately describe a Lot, and any such corrective action shall not be deemed a violation of this section.

(5) Each single-family dwelling constructed on a Lot abutting or adjacent to Rough River shall contain a minimum of two thousand (2,000) square feet of heated/cooled floor space. Each single-family residential dwelling constructed on a Lot abutting or adjacent to golf course fairways or greens shall, except as otherwise specifically set forth in this paragraph (5), contain a minimum of One Thousand, Eight Hundred (1,800) square feet of heated/cooled floor space. Each single-family residential dwelling constructed on a Lot designed as a "Patio Home" Lot on any duly recorded subdivision plat within the Property or so designated by the Declarant or the Committee because of the size, configuration or location of a Lot (even if located adjacent to golf course fairways or greens), shall contain a minimum of One Thousand, Two Hundred (1,200) square feet of heated/cooled floor space and have a two-car garage with at least an 8:12 roof pitch over the entire structure. Each single-family residential dwelling constructed on any other Lot shall contain a minimum of One Thousand, Five Hundred (1,500) square feet of heated/cooled floor space. The minimum square footage in each case shall be exclusive of all porches, patios, carports, garages or breezeways attached to the main dwelling. Except as otherwise provided herein with respect to Patio Homes, all improvements on a Lot shall have at least a 6:12 roof pitch and at least a one-car attached garage. No residential dwelling or structure on any Lot shall exceed three (3) stories in height above the highest natural ground level abutting such improvements. A "basement" level is permitted so long as the height restriction herein provided is not exceeded. The outside wall of each residential dwelling constructed on a Lot abutting or adjacent to Rough River of the Lafayette Golf Course shall consist of not less than forty (40%) percent masonry construction, consisting of brick, ledge stone, fieldstone or native types of stone veneer. The outside wall of all other residential dwellings shall consist of not less than twenty (20%) percent of such masonry construction. Improvements constructed with log or cedar siding shall not require any masonry. The applicable square footage requirements of condominiums,

multi-family dwellings, hotels and other similar structures constructed on a Lot or Lots, may be set forth in Supplemental Declarations.

(6) No (i) mobile homes, (ii) modular homes, (iii) prefabricated structures, (iv) improvements containing metal or asbestos exterior siding, or (v) tarpaper or roll-type exterior or flat roofs shall be permitted on any Lot. All improvements must be constructed "on-site" and all construction must be of new materials, except stone, brick or other materials used for decorative effects, provided, such use is approved in writing by the Committee.

(7) Storage buildings, gazebos and swimming pools may be constructed on a Lot, subject, however, to the restrictions of Article III, paragraph (6) of this Declaration, where applicable, and only if a residential dwelling is located on such Lot or is under construction thereon. Swimming pools must be enclosed by a fence, subject, however, to the restrictions of Article III, paragraph (8) of this Declaration.

(8) Fences may be constructed on a Lot subject to approval of the Committee, but may not create a safety hazard or create a sight-line hazard at any street intersection. Privacy fences higher than four feet (4'), chain link, cable or wire fences or other similar type fences are prohibited. The front of any fence may not be closer to the front Lot line than the front of a residential dwelling. All fences erected on Lots that abut Rough River or the Lafayette Golf Course shall be of a uniform design and must be constructed in accordance with the specific standards required by the Committee. All fences shall be completed within two (2) months from the commencement date thereof.

(9) No improvements shall be constructed on a Lot within twenty-five feet (25') of the front lot lines, within ten feet (10') of the rear lot lines, and within five feet (5') of the side lot lines unless (i) dimensions are otherwise set forth on a subdivision plat of a portion of the Property, duly recorded and filed in the Plat Records of Grayson or Breckinridge County, Kentucky, or otherwise required by applicable zoning regulations, (ii) a Lot abuts Rough River, then not within forty feet (40') of the high water line, as determined by the Association, irrespective of the location of the rear lot line, or (iii) within ten feet (10') of any power line. Subject to the restrictions contained in paragraph (8) above, fences may be constructed on the Lot lines.

(10) Any improvement (other than fences) commenced upon a lot shall be completed, as to exterior finish and appearance, within eight (8) months from the commencement date thereof.

(11) An Owner of a Lot shall not change or otherwise alter the appearance of any portion of the exterior of a residential dwelling or other improvements on a Lot, unless such decoration, change or alteration is first approved, in writing, by the Committee, as provided in Article II, hereof.

(12) Driveways shall be required on all improved Lots. Driveways shall be properly feathered to meet the subdivision road and must be paved with a permanent wearing surface, concreted or constructed of brick. On Lots designated as "Patio Home" Lots, the width of the driveways shall be not less than seventeen feet (17'). On all other Lots, the width of the driveway shall be not less than twelve feet (12'). Culverts for driveways on Lots may be required by the Committee, if, in its sole discretion, water flowage problems would otherwise exist due to soil or topographical conditions of the Lot.

(13) No structure may be used as a residential dwelling (either temporary or permanent) without first being connected to an individual septic system.

(14) Potable water is supplied by a central water system serving all Lots. No individual wells may be drilled on any Lot for the purpose of providing potable water. No structure may be used as a residential dwelling (either temporary or permanent) without first being connected to the central water system.

(15) An Owner of a Lot abutting or adjacent to Rough River shall not extend any deck, dock or pier from such Lot without the written approval of the Committee, and from any applicable governmental authority.

(16) An Owner of a Lot abutting or adjacent to golf course fairways or greens (and their guests), shall be obligated to refrain from any actions which would interfere with usage of the golf course.

(17) No recreational vehicle, bus or other vehicle, temporary structure, tent, shack, bar, storage building or other out-building shall be used on any Lot at any time as a residence, either temporary or permanent.

(18) Fuel stored for residential heating and cooling shall be stored above ground and shall be property designed and constructed to minimize the possibility of leaks or releases of fuel into the environment. All storage tanks shall be properly screened so as not to be visible from roads, Recreational Facilities or Common Areas.

(19) Central mail receipt facilities shall be installed by the U. S. Post Office or the Association of such size, color and design as the Post Office and/or the Association, as may be applicable, deems appropriate.

(20) No noxious or offensive activity shall be conducted or engaged in which is or may become a nuisance to other Owners. Without limiting the general ability of the foregoing provision, devices emitting excessive noise, noisy or smoky vehicles, and devices which interfere with television or radio reception of any Owner shall be considered offensive activities.

(21) All Lots and any residential dwellings and other improvements thereon, shall be kept clean and in a neat and orderly condition. The non-masonry exterior of any residential dwelling shall be kept painted and all improvements shall be maintained in good condition. The Lot shall remain free of rubbish, debris or unsightly growth. Natural growth on unimproved Lots shall not be deemed, by itself to be unsightly. No trash or refuse shall be allowed to accumulate and remain on any Lot. Trash shall be kept only in sanitary containers located in appropriate areas screened or concealed from public view. A written ten (10) day notice will be given to the Owner if any Lot or improvement is not properly maintained. The Developer and its agents, and/or the Association and its agents shall have the right to enter upon any Lot which fails to comply with this covenant for the purpose of cleaning, maintaining, restoring or repairing the Lot, the cost of which shall be billed to the Owner and which shall become a lien on the Lot if unpaid for more than thirty (30) days. Neither the Developer, the Association, nor any agent, employee or contractor thereof ("agents") shall be liable (except for willful and gross negligence), for any damage which may result from such cleaning, maintenance, restoration or repair.

Under extreme circumstances, that is circumstances under which (i) the condition of a Lot and/or any residential dwelling or other improvement thereon poses a hazard to human health and safety, or (ii) a residential dwelling or other improvement on a Lot is abandoned, deteriorated, or uninhabitable as reasonably determined by the Committee, the Owner of said Lot and/or improvement will be given, upon expiration of the initial ten (10) day notice, a second written notice to correct the dangerous conditions existing on said Lot. In the event the Owner shall fail to make arrangements to correct the improper conditions existing to the satisfaction of the Committee, within fifteen (15) days of the posting of such notice in the U. S. Mail, the Developer and/or the Association and their agents shall have the right to enter upon a Lot which fails to comply with this covenant for the purpose of (i) correcting and repairing the dangerous condition which exists upon the Lot or (ii) demolishing any such improvements thereon as the Committee, in its sole discretion, deems appropriate. The cost of any repairs or demolition shall be billed to the Lot Owner and will become a lien on the Lot if unpaid for more than thirty (3) days. Neither the Committee, the Developer, the Association, nor any of their agents, shall be liable (except for willful misconduct or gross negligence) for any damage or other claim which may result from or which are associated with any such repairing, maintenance or demolition.

(22) Each Lot shall have proper trash receptacles with lids or covers. All trash receptacles shall be kept inside or shall be kept in outdoor areas screened from view from roads, Recreational Facilities and Common Areas and shall be of such construction so as to prevent intrusion by animals.

(23) No farm animals will be allowed within the Property. Three (3) household pets shall be permitted, provided they are not kept, bred or maintained for commercial purposes. When out-of-doors, pets must be either (i) fenced in, (ii) kept in a humane enclosure, approved by the Committee, or (iii) kept on a leash. No pet shall be kept within the Property which creates a public nuisance and any such pet determined by the Association to be such a nuisance shall be removed there from within five (5) days of the date the owner thereof is notified in writing of that decision.

(24) No ground fires shall be built or maintained on any Lot. Burning trash within the Property is prohibited.

(25) No camping shall be permitted on any Lot, except on such lots or tracts which may, from time to time, be set aside by Declarant or the Association, as courtesy camping areas for the benefit of all Owners.

(26) General Contractor's signs and residential "For Sale" signs shall be permitted on improved Lots provided they are: (i) professionally prepared, (ii) not larger than 24" by 36" in size, (iii) staked to the ground, and (iv) in compliance with all rules and regulations of the Association as may from time-to-time be promulgated for issuance of a sign permit (a "Permit"). No sign of any kind may be posted (i) on a Lot prior to the issuance of a Permit, (ii) anywhere other than on the Lot described in the Permit, or (iii) on a Lot without a residence (or a residence under construction). A sign permitted by the Committee may remain on a Lot for a period of six (6) months from the date of issuance of the Permit. The Association shall have the right to remove any sign on any Lot if no Permit has been issued or if an issued Permit has expired. The Association may also issue rules and regulations limiting the number of Permits issued by the Committee at any time and from time-to-time to preserve the non-commercialization of the residential sections of the Subdivision. Lot Owners who desire to sell their Lots and are unable to obtain a Permit may post a notice of the availability of a Lot for sale on the designated bulletin board at the Subdivision entry.

(27) Discharging of firearms or fireworks within the Property is prohibited.

(28) Hunting within the Property is prohibited.

(29) Fishing on Rough River from within the Property is permitted only from one's own Lot, a boat, or from Common Areas adjacent to such river. Fishing is prohibited from any other Owner's Lot without such Owner's consent.

(30) Boats shall be permitted on the portion of Rough River within the Property in compliance with any applicable state or local rules.

(31) Parking on the streets within the Property by Owners or their guests and invitees is prohibited (other than occasional periods of less than four hours). All vehicles must be parked in a garage or on the driveway of a Lot; provided, however, that neither the driveway, nor front or back yards of Lots shall be used (i) to park or store (temporarily or permanently) trucks or recreational vehicles in excess of one (1) ton, damaged, wrecked or inoperable cars, buses, machinery, equipment, semi-trailers in excess of eighteen (18') feet, airplanes, boats, recreational vehicles nor (ii) to store lumber, supplies, or other materials. This covenant does not preclude an Owner from storing up to two (2) cords of firewood on a Lot or from performing minor repairs upon vehicles owned by him or her located in his or her driveway for not more than two (2) consecutive days, nor shall this covenant preclude the temporary parking of such vehicles on any such Lot by invited guest and visitors of an Owner for periods of two (2) days.

(32) No newspaper boxes or receptacles may be located or constructed on any Lot.

(33) All posted traffic signs within the Property must be obeyed. Violations of any posted traffic signs will subject violators to such fines as the Association shall prescribe.

(34) Personal entrances from any road outside the boundaries of the Property to any Lot are prohibited. Perimeter fences may not be cut or removed by any party except by Declarant or the Association.

(35) All construction activity (other than work performed on the inside of a closed-in residential dwelling) is prohibited between the hours of 8:00 p.m. and 8:00 a.m. Monday through Saturday and between 8:00 p.m. and 10:00 a.m. on Sundays.

(36) No above-ground pools larger than six (6') feet in diameter are permitted on any Lot.

(37) No exterior radio or television antenna, satellite dish or other receiver or transmitting device or any similar exterior structure or apparatus may be erect or maintained on any Lot without approval of the Committee.

(38) No tree with a diameter in excess of five inches (5"), as measured two feet (2') above ground level may be removed from any unimproved Lot, or in the case of an improved Lot, then within twenty feet (20') of the front and rear lot lines and ten feet (10') of the side lot lines without consent of the Committee; provided, that such consent shall not be withheld for removal of trees necessarily required for the construction of a residential dwelling on a Lot.

(39) The lease or rental of an improved Lot shall not be considered to be a violation of this Declaration provided that the lease (i) is for not less than the entire Lot and all the improvements thereon, (ii) is for a term of at least three (3) months, (iii) will not be occupied by more than four persons unless all are members of the same family, and (iv) is otherwise in compliance with the Association's rules and regulations. All leases shall be required to be in writing, and, prior to the commencement of any such lease, the Owner shall provide the Association with copies of such lease. The Association may evict tenants upon reasonable notice for a major violation or repeated minor violations of the provisions of the Bylaws, the Association's rules and regulations or this Declaration. Lessors must pay to the Association the then current maintenance fees as a condition of the lease of the Lot. Lessees shall have the right to use the Common Areas only after their application for such privilege is approved by the Association and the Lessor shall have paid the applicable maintenance fees. Any lessee, approved by the Association, shall in all respects be subject to the terms and conditions of this Declaration and the rules and regulations adopted hereunder, including without limitation, payment of all applicable fees.

(40) There is reserved for Declarant, the Association, and their assigns, a ten (10') foot wide utility and drainage easement along the front and rear lines of each lot and a five (5') foot utility and drainage easement along the side Lot lines of each Lot (unless otherwise designated on a duly recorded subdivision plat of a portion of the Property) for the installation and maintenance of utilities and drainage facilities. Within these easements, no structure shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change, obstruct or retard the flow of water through drainage channels in such easements. No utility company or other authorized entity using the easements herein referred to shall be liable for any damage done by them or their assigns, agents, employees, or servants to shrubbery, trees or flowers, or to other property of an Owner situated with any such easement. The easement area of each Lot shall be maintained by the Owner thereof except for those improvements for which a public authority or utility company assumes responsibility.

(41) No Owner may obstruct or retard the flow of water or disturb or alter existing wetlands or swells, streams, creeks, or other waterways on or running across any portion of a Lot without (i) complying with all applicable federal, state or local watershed and erosion – prevention laws, statues, rules or ordinances and (ii) the prior written consent of the Committee.

(42) No improvement or structure of any nature shall be constructed or alterations made on any Lot until (i) an Erosion and Sediment Pollution Control Plan ("E & SPC Plan") has been approved by

the applicable county conservation district or state environmental protection agency, as the case may be, or (ii) a determination made by the applicable agency that no E & SPC Plan is required for the contemplated improvements or alterations.

IV. COMPLIANCE WITH PROVISIONS OF DECLARATION, BYLAWS AND RULES AND REGULATIONS

(1) Each Owner shall comply with the provisions of these covenants and restrictions, the Declarations, the Bylaws, the Rules and Regulations and the decisions of the Association, adopted pursuant thereto and as the same may be lawfully amended from time-to-time. Failure and refusal after written notice to comply with any of the same shall be grounds for (i) imposing fines, (ii) suspending voting rights or rights to use Recreational Facilities and Common Areas or (iii) an action to recover sums due for damages or injunctive relief or both, and for reimbursement of all costs and attorney's fees incurred in connection therewith and interest on all of such amounts at the highest lawful rate. Enforcement of these covenants and restrictions may be by any person or persons owning a Lot, by the Association or the Committee (through any of its members) or by the Declarant, against any person or persons violating or attempting to violate any covenant or restriction herein contained.

(2) The Association may levy a charge of \$10.00 per day against any Owner who is determined by the Association to be in violation of any of these restrictive covenants. The Owner shall be notified in writing of the determination of the Association and the nature of the violation and shall be given ten (10) days from date of notification within which to correct such violation(s) or establish to the Committee's satisfaction that no violation exists. If the violation is not corrected within said ten (10) day period, the per day charge shall be assessed against the Owner beginning with the date of notification and shall accrue until such corrections.

(3) Each and every Owner covenants and promises to pay to the Association, when due, any and all dues and fees assessed by the Association. Any dues and fees not paid within fifteen (15) days of their due date shall be in default and shall be subject to a late fee of ten dollars (\$10.00) or such other or additional amounts as may be set by the Association and permitted by applicable law. Each and every Owner covenants and agrees that the Association and its successors and assigns shall have a lien upon their Lot(s), inferior only to the lien for taxes and duly recorded mortgages, to secure the payment of any dues and fees in default and any reasonable court costs and attorney's fees incurred in connection with the collection of same, and such lien shall be evidenced by the filing of a statement by the Association in the Public Records of Grayson or Breckinridge County, Kentucky, as applicable, attesting to such default.

(4) No sale, transfer, lease or disposition of any Lot shall be consummated unless and until the name and address of the purchaser or transferee has been provided to the Association. The original Owner of a Lot shall remain liable for all fees and assessments hereunder until the new owner's name is provided to the Association.

(5) Violation of, or failure to comply with, the covenants and restrictions contained herein shall not affect the validity of any mortgage, bona-fide lien or other similar security instrument which may be then existing on the Lot. Invalidation of any one of the covenants or restrictions contained herein, or any portion thereof, by a judgment or court order shall not affect any of the other covenants or restrictions herein contained, which shall remain in full force and effect. In the event any portion this Declaration conflicts with mandatory provisions of any ordinance or regulation, promulgated by any governmental agency which may have jurisdiction over the Property, then such governmental requirement shall control. Any deed or legal instrument (except mortgages or other similar security agreements) purporting to convey, transfer or assign any interest in a Lot shall contain appropriate language to subject the land within such conveyance, transfer or assignment to these covenants and restrictions.

(6) This Declaration and the covenants and restrictions herein shall constitute covenants running with the land shall be binding upon all persons and entities acquiring any Lot, whether by purchase, descent, devise, gift or otherwise, and each person or entity, by the acceptance of title to a Lot,

shall thereby agree and covenant to abide by and perform all of the covenants and restrictions set forth herein.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed on the 6th day of June, 2001.

GF Resort, L. P.

Patrick Ramsier, President of American Resort Corp., General Partner of GF Resort L.P.

This document prepared by William Palmer, attorney at law, 14755 Preston Road, Suite 405, Dallas, Texas 75240, phone number (972) 991-2990.
