

**Protective Covenants, Conditions, Rules and Restrictions
Governing
Coppersmith Cove Waterfront Community
Phase I**

WHEREAS, Coppersmith Cove Development Company, LLC (the “Developer,” desires to impose certain restrictions and reservations upon the real estate known as Coppersmith Cove Waterfront Community (the “Community”) for the mutual benefit of all parties within the Community, these Protective Covenants, Conditions, Rules and Restrictions (the “Covenants”) are hereby adopted. All purchasers of a lot or town home or residential condominium unit within the Community (singularly a “Purchaser” or collectively “Purchasers”) shall take title to their respective property subject to the following provisions, which shall run with the land and be binding upon such owners and their heirs and assigns.

1. All Purchasers of lots within the Community shall be required to join a Home Owners’ Association (“HOA”), which shall be incorporated for the purpose of enforcing these Covenants and providing for the general upkeep of the Community, and which shall be governed by its Articles of Incorporation and by-laws. Control of the HOA shall be initially vested in the Developer. Control of the HOA shall be transferred from the developer to the Purchasers at such time as homes have been completed (as defined below) on 60 lots designated with an “L,” “V,” “R” or “R/S” classification, or earlier at the Developer’s discretion.
2. Use of Lots. All lots designated with an “L,” “V,” or “R” classification shall be used for single-family residential purposes only. Lots designated with an “R/S” classification may be used for single family residential purposes or for the purpose of constructing a rental or condominium boat/vehicle storage facility. Any such storage facility constructed must meet the requirements for appearance and operation set forth in the “Protective Covenants, Rules and Restrictions for the Construction of Storage Facilities Within Coppersmith Cove Waterfront Community.” Any lot designated with an “M” classification may be used for the construction of multi-family residential units, or, at the discretion of the Developer, may be subdivided into and sold as single-family lots under the “L,” “V,” “R” or “R/S” classification. Any multi-family residential units constructed must meet the requirements set forth in the “Protective Covenants, Rules and Restrictions for the Construction of Multi-Family Units Within Coppersmith Cove Waterfront Community.” Other than rental or condominium boat/vehicle storage facilities constructed on R/S lots, no commercial use of any lot shall be allowed.
3. Construction Period. There is no requirement that a Purchaser must commence construction within any certain period after the closing of a purchase of a lot. Once a Purchaser has commenced construction, however, the Purchaser shall be required to complete construction within twelve (12) months. “Commencement of Construction” shall be deemed to have occurred at such time as the purchaser has begun to undertake any clearing, grading, driveway construction or foundation work. “Completion of Construction” shall require that a home be in livable condition, that all equipment, materials and debris have been removed from the site and that the driveway has been paved. Following the completion of construction, no lumber, brick, block, stone, concrete or other building materials shall be stored on a lot, except that such materials may be stored within a home or garage so as not to be visible from the road, lake, neighboring lots or common areas. Within eighteen (18) months following the Commencement of Construction, all portions of the lot disturbed by construction must be seeded, sodded or otherwise landscaped.
4. Subdivision of Lots. Lots with the Community may not be subdivided except in accordance with the exceptions noted below:
 - a. Subject to the approval of the Joint Lyon County Eddyville Kuttawa Planning Commission, the Pennyriple District Health Department and any

other body having jurisdiction over property within the Community (collectively the "Municipality"), a lot designated with an "R" or "R/S" classification that totals more than 3 acres in area may be subdivided provided the resulting subdivided lots each total at least 1.50 acres in area and each contain at least 0.50 acres above the 378 contour, exclusive of any areas with slope greater than 30%.

- b. Any lot designated with an "M" classification may be subdivided to the extent necessary to sell any multi-family unit purchaser fee simple to his unit.
 - c. Lots designated with an "R/S" classification may be used to construct condominium boat/vehicle storage facility, and in such case, provided the facility complies with the "Protective Covenants, Rules and Restrictions for the Construction of Storage Facilities Within Coppersmith Cove Waterfront Community," such R/S lot may be subdivided to the extent necessary to sell any condo purchaser fee simple to his unit.
 - d. By mutual agreement and subject to the approval of the Municipality, a Purchaser or Purchasers of adjoining lots may elect to adjust the location of a lot boundary line provided the number of lots does not increase and provided that the new lot boundary line does not cause any structure on either of the lots to violate any other provision of these Covenants. In the event of an adjustment of a lot boundary line, any new structures to be built must comply with all other requirements of these Protective Covenants, Conditions, Rules and Restrictions relative to the new lot boundary line's location.
 - e. Subject to the approval of the Municipality, any Purchaser of lots with a common lot boundary line may elect to have the lots combined into one lot. Lots so combined may not be subsequently re-subdivided.
5. Design Approval. Prior to the Commencement of Construction, all Purchasers shall be required to submit to the HOA's Architectural Review Committee ("ARC") one full set of construction drawings stamped by the architect of record, which shall include a site plan, all floor plans, an elevation of each side of a proposed home, the specifications of external and roofing materials to be used in construction, square footage calculations completed by an architect for the home's finished living space (as defined below) and footprint (as defined below) and a notice address and fax number for the Purchaser. Prospective purchasers may also elect to make such a submission prior to their purchase. In the event the proposed home meets the requirements of these Covenants and does not contain any conditions allowed only subject to the ARC's express approval, the ARC shall approve such plans by providing the Purchaser or prospective purchaser with a Notice of Approval of the Architectural Review Committee (Notice of Approval"). In the event the ARC finds that the proposed home does not meet the requirements of these Covenants, or in the event the proposed home contains a condition or conditions allowed only subject to the ARC's express approval, the ARC may (A) approve the proposed home by providing the Purchaser or prospective purchaser with a Notice of Approval; or (B) conditionally approve the proposed home by issuing the Purchaser or prospective purchaser a Notice of Approval subject to such conditions being met; or (C) deny approval of the proposed home by providing the Purchaser or prospective purchaser with a Notice of Denial of the Architectural Review Committee ("Notice of Denial"). Any Notice of Denial so issued shall state the reasons for the Notice of Denial. The ARC shall be required to provide a Purchaser with either a Notice of Approval or a notice of Denial at the provided notice address or fax number within twenty-one (21) days of its receipt of such submission. The ARC shall be granted the authority to waive any these Covenants by the issuance of a Notice of Approval if, in their opinion, the proposed home, despite any proposed violation of a covenant, will not detract from the beauty of the Community or adversely affect the value of other homes or lots within the community, and the ARC shall not be held liable for any damage resulting from such a waiver. Any deviation from the plans submitted to and approved by the ARC must be approved in advance by the ARC. Failure to receive the ARC's approval of a deviation from the plans submitted to and approved by the ARC will result in the Notice of Approval being

void and invalid. The ARC shall have the authority to halt the construction of any home being constructed in the absence of a valid Notice of Approval.

6. Home Size. All single-family homes constructed within the Community must contain a minimum area of finished living space of two thousand (2,000) square feet. Finished living space shall include all fully-enclosed areas served by HVAC with finished walls, including any such space in a basement level. Finished living space shall not include patios, porches, decks, garages (whether attached or detached), areas not served by HVAC or areas with unfinished walls. All homes constructed within the Community consisting of a single story, excluding any basement, shall have a minimum footprint of one thousand, five hundred (1,500) square feet. All homes constructed within the community consisting of more than one story, excluding any basement, shall have a minimum footprint of one thousand, two hundred (1,200) square feet. A home's footprint shall be defined as the gross area of land occupied by fully-enclosed spaces of a home on the home's main story, including any attached (but not detached) garage and excluding any porches, patios or decks. A home's main story shall be defined as the story of a home through which entry of the home is achieved from the side of the home facing the street. A basement shall be defined as any story below a home's main story.
7. Setbacks. No vertical structure shall be built within ten (10) feet of a property line shared in common with an adjoining lot or common area. Except with the express approval of the ARC, no vertical structure shall be built within twenty (20) feet of a property line shared in common with a roadway right of way. The setbacks mentioned above shall not apply to driveways.
8. Driveways. All driveways must be of concrete, cement, asphalt or chip and seal, or, with the express approval of the ARC, cobblestones, pavers or other decorative materials. No gravel or loose aggregate drives shall be allowed, provided, however, that gravel and/or rip-rap may be used as necessary to prevent erosion of slopes adjacent to driveways.
9. Mobile Homes. No trailers, mobile homes or other manufactured housing shall be allowed, except with the express approval of the ARC.
10. Recreational Vehicles. No recreational vehicle or motor home shall be kept on any lot for the purpose of providing housing for any person, other than for temporary guests of Purchasers, whose use of such mobile homes in this manner shall not exceed seven (7) consecutive nights or more than fourteen (14) nights total in any given calendar year. No recreational vehicles or motor homes shall be allowed to park anywhere within the community other than on the driveway of the property owned by the Purchaser parking such recreational vehicle or motor home.
11. Exterior Materials. Homes may be constructed of brick, stone, stucco, wood siding, or cementitious siding (e.g. Hardie Plank). Subject to the express approval of the ARC, homes constructed on lots designated with an "L" classification may use vinyl siding as an accent material. Subject to the express approval of the ARC, homes constructed on lots designated with a "V," "R" or "R/S" classification may use vinyl siding covering any portion of the rear side of the home and/or as an accent material on any of the any of the three remaining sides of the home. The rear side of the home is defined as the side of the home not visible from the street on which the lot fronts. No metal siding shall be allowed to be used as an exterior material, provided, however, that metal roofs, metal garage doors and metal accents may be used with the express approval of the ARC. Log homes shall be permitted, but to insure design compatibility within the community, construction of a log home shall require express approval of the ARC.
12. Outbuildings and Accessories. Other than the primary residence, no Purchaser shall be allowed to construct any outbuilding except a detached garage and/or a

guesthouse or a detached garage with guest quarters, and any such detached garage or guesthouse to be constructed is subject to the express approval of the ARC based upon their subjective discretion as to its size, construction, materials, location and compatibility with the primary residence and surrounding area. No detached garage or guesthouse may be built prior to the Commencement of Construction of the primary residence. Tools, equipment, mowers, tractors, ATVs and motorcycles, if kept by any Purchaser, must be kept within a garage or home and are not permitted to be stored on driveways or other portions of a Purchaser's lot. Golf carts may be parked in driveways at any time or on other portions of a purchaser's lot on a temporary basis. None of the following shall be allowed on any portion of any Purchaser's property: chain-link fencing, barbed-wire fencing, clotheslines, inoperable vehicles of any type, trash piles, scrap materials, above-ground pools, above-ground storage tanks (except as noted below), window-unit air conditioners, radio towers or antennas (other than satellite dishes 24" or less in diameter). Above-ground propane storage tanks (other than small propane tanks connected to gas grills), must be screened by appropriate landscaping, fencing or walls, and their installation is subject to the express approval of the ARC. Any swing set, jungle gym or other play equipment to be permanently installed on any Purchaser's lot shall be permitted with the express approval of the ARC, which shall grant a Notice of Approval for such equipment provided all materials are brown, dark green or of some other earth-toned color and provided the size of such equipment does not present a nuisance to the Community. Any play equipment not permanently installed must be put away when not in use. Nothing in this paragraph shall be construed so as to prohibit developer from using chain link fencing to enclose any tennis court or other athletic facility built for the benefit of the Community, or to prohibit Developer from installing any play equipment it desires on common areas for the benefit of the Community.

13. Animals. No livestock or farm animals of any kind may be kept on any lot. Household pets shall be permitted, provided such pets are kept within a Purchaser's house or lot and provided such pets do not become a nuisance to the community. No commercial kennel or breeding operation may be conducted within the community.
14. Exterior Appearance and Maintenance. Any garage constructed within the community, whether attached or detached, must have garage doors capable of covering all service openings in the garage, and garage doors should be kept closed other than when in use. All lots and the exteriors of all homes on lots subject to these Covenants shall be maintained in a neat and attractive condition, which shall include, but shall not be limited to, painting, repairing, replacing and caring for roofs, gutters, downspouts, siding materials, landscaping, trees, shrubs, grass, walks and garage doors.
15. Outdoor Appliances and Equipment. All utility meters, air conditioning compressors, heating units and other such equipment shall be screened by fencing, walls or landscaping so as to be as unobtrusive as reasonably possible when viewed from the street, lake, neighboring lots or common areas.
16. Trash. In the event no municipal trash collection is available, each Purchaser shall subscribe to a private trash collection service approved by the HOA. Trash receptacles shall be hidden from view by walls, fencing, landscaping or other means, and shall only be visible from the street or neighboring lots on the day of a scheduled trash collection. No burning of any trash shall be permitted except with the express consent of the HOA.
17. Hunting, Firearms and Explosives. There shall be no hunting of any kind or any discharge of firearms or explosives within the Community, except for the discharge of firearms to protect oneself, one's home or one's family in accordance with all applicable laws and except for the discharge of fireworks on a Purchaser's property in accordance with all applicable laws and provided such discharge of fireworks does no create a nuisance for the Community. The HOA

may elect to put on a fireworks display in a park of common area of the Community in accordance with all applicable laws.

18. Hazards and Nuisances. No Purchaser may use his property in such a manner as to create a hazard or nuisance to the Community.
19. Docks. To the extent reasonably possible, docks shall be built perpendicular to the shoreline and as near as possible to the center of a lot's frontage along the 359' summer pool elevation. Docks shall not be constructed so as to unreasonably restrict or prohibit the construction of a dock by the Purchaser of an adjoining lot. Community association docks are encouraged as they reduce the impact upon Lake Barkley resulting from the construction and operation of moorage facilities. Certain lots designated with an "L" classification may be required to share community association docks in order to have moorage facilities. In such case, the costs of construction and operation of such community association dock shall be shared equitably among the members of the community association dock. Specifically, but not by way of limitation:
 - a. Any Purchaser of Lots L-1, L-2 or L-3 who desires to have moorage facilities may be required to share in a community association dock with the Purchaser of Lot L-4. Any Purchaser of Lot L-4 will be required to agree to share a community association dock with any purchaser of Lots L-1, L-2 or L-3 who so desires. Each participant in the community association dock structure shall be responsible for an equal share in the costs of maintenance of any such community association dock structure; provided, however, that any participant may elect to install any permitted equipment on the dock structure for his exclusive use, such as, but not limited to, a storage locker, jet-ski lift or boat lift, and in such event such equipment installed for the exclusive use of an individual participant shall be maintained at the expense of such participant.
 - b. Any Purchasers of Lots L-15 or L-16 who desire to have moorage facilities shall be required to share in a community association dock with one another. In the event a Purchaser of either Lot L-15 or L-16 shall have constructed an individual dock and a subsequent Purchaser of the other of these two lots shall desire to alter such dock to create a community association dock, such subsequent Purchaser shall be required to reimburse the other Purchaser for one half of the costs of the original individual dock structure. Each party shall then be responsible for one half of the costs of the alteration of the dock structure to create a community association dock structure. Each participant in the community association dock structure shall be responsible for an equal share in the costs of maintenance of any such community association dock structure; provided, however, that any participant may elect to install any permitted equipment on the dock structure for his exclusive use, such as, but not limited to, a storage locker, jet-ski lift or boat lift, and in such event such equipment installed for the exclusive use of an individual participant shall be maintained at the expense of such participant.

The U. S. Army Corps of Engineers controls the granting of permits for moorage facilities in accordance with the Lake Barkley Shoreline Management Plan, and, as such, the Developer cannot make any representations as to any Purchaser's ability to obtain a dock permit.

20. Lots noted on the plat by an asterisk (*) will be served by a private septic collection system (the "System"). The System will be owned, operated and maintained by Coppersmith Septic Association, Inc. ("CSA"), a non-profit corporation of which the owner of each lot served by the System will be a member. CSA will be governed by a board of directors elected by the members. Members may be required to pay tap fees, dues or assessments levied by the board of directors for the operation, maintenance and repair of the System. To the extent Coppersmith Cove Development Company, LLC ("CCDC") owns lots


served by the System, CCDC shall retain the rights and obligations of membership in CSA of such lots. CCDC shall bear all responsibility for the design, permitting, approval and installation of the System, and CCDC agrees to warranty the operation of the system until one year beyond the date that all lots served by the System have been sold by CCDC. Use of the System by a lot owner may require the installation of an individual tank or pump on such lot owner's property. Any such tank or pump shall not be deemed to be a part of the System, and shall be owned, maintained and operated by the individual lot owner.

21. Easements. Perpetual easements are reserved as shown and noted on the final plat. These easements are for use for public utility, drainage and maintenance of adjoining roadways. The easements shall include the rights of ingress and egress by the employees and agents of parties using said easement and shall permit the trimming and removal of vegetation that interferes with or threatens to interfere with the operation of any utility within the easement. Portions of land adjacent to roadways used to provide gradation of slopes to grade shall be considered easements whether indicated as such on the plat or not. No disruption to or construction upon such slope gradations shall be permitted without the express approval of the ARC, which approval shall be subject to the approval of the Municipality. Ingress/Egress Easements, as noted on the plat, are provided for the convenience of ingress and egress of Purchasers. The costs of construction and maintenance of any drive constructed within an Ingress/Egress Easement shall be shared equally among the Purchasers of lots which benefit from such Ingress/Egress Easement.
22. Modification of Easements. The Developer or HOA shall be permitted to modify and/or relocate easements as shown on plats of the Community from time to time as required to comply with the orderly development of the Community. No consent of Purchasers or consent of providers of the various utilities shall be required for alteration or deletion of said easements prior to said easements being utilized by a public utility provider.
23. Dedication of Streets and Easements. The Developer reserves the fee and use of all streets and rights of way as shown on the plat and the use of the same for any underground or above-ground utility pipes, cable, conduits, wires or poles or other reasonable uses. The Developer shall have the exclusive right to dedicate all roadways and utility easements to Lyon County or other public authority or utility or to the HOA.
24. Community Design. The Community as shown by the final plat or plats of record and the restrictive covenants herein above stated shall remain operative as to all lots shown on the aforesaid plat. As to all other lots and land to be subdivided in any subsequent plat or parts of the Community, the Developer reserves the right to make changes in the Community layout, dedication of streets and the restrictions to be applicable to any lots shown thereon. This reservation on behalf of the Developer shall not require the consent or approval of any person owning any lot as shown on the aforesaid final plat or plats or record. This reservation on behalf of the Developer shall further grant to Developer the continuing right to make changes in the Community layout until completion of and sale of all lots in each section of the Community.
25. Violation of Covenants. Any violation or attempted violation of any of the foregoing restrictions by any Purchaser can be the subject of any appropriate proceeding or action at law or in equity to be brought by the Developer, the HOA or the ARC to enforce the covenants, which may include the filing of a lien against the property in violation or seeking an injunction to halt construction. Any costs of legal fees incurred in the enforcement of these Covenants shall be recovered by the prevailing party. If any of these Covenants are declared void or unenforceable by any court of law, the remainder of these Covenants shall remain in full force and effect.

26. Amendment. These Covenants may be amended by an affirmative vote of 60% of Purchasers, with one voted granted per lot, town home or residential condominium unit.

These Covenants are submitted this 13^h day of December 2005 and shall be attached to the plat and incorporated therein.

COPPERSMITH COVE DEVELOPMENT
COMPANY, LLC



By: Scott B. Logan
Its: Manager