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RETURN TO:

AFTER RECORDING, PLEASE RETURN TO:
ADAMS, STEPNER, WOLTERMANN & DUSING, P.L.L.C.
P.O. BOX 861
COVINGTON, KENTUCKY 41012

LOAN NO. 0905108049
EXHIBIT A - Legal Description
EXHIBIT 8(a) - Environmental Permits
EXHIBIT 8(b) - Environmental Notices
EXHIBIT 8(c) - Environmental Proceedings

MORTGAGE

Up to \$1,750,000.00
(exclusive of interest)

THIS MORTGAGE is made effective this 7th day of October, 2004, between the Mortgagor, **FINKE HOMES, INC., a Kentucky Corporation**, whose address is 3180 Burlington Pike, Burlington, Boone County, Kentucky 41005, (hereinafter referred to as "Mortgagor"), and the Mortgagee, **FIFTH THIRD BANK, a Michigan Banking Corporation** (herein "Lender") whose address is 8100 Burlington Pike, Florence, Boone County, Kentucky 41042.

WHEREAS, the Mortgagor is indebted to Lender in the principal sum of One Million Seven Hundred Fifty Thousand and 00/100 Dollars (\$1,750,000.00) (herein, the "Indebtedness"), which Indebtedness is evidenced by Mortgagor's guarantee of a Revolving Line of Credit Note from **THE NEXT GENERATION OF FINKE HOMES, INC., a Kentucky Corporation**, (hereinafter referred to as "Borrower") in the amount of One Million Seven Hundred Fifty Thousand and 00/100 Dollars (\$1,750,000.00), guarantee, assignment of rents or other evidence of indebtedness dated of even date herewith (herein, the "Loan Documents") the last payment of the Note is due on **August 30, 2006**.

TO SECURE to Lender (a) the repayment of the Indebtedness evidenced by the Loan Documents and any extensions or renewals thereof, with interest thereon, the payment of all other funds, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Mortgagor and Borrower herein contained, or contained in the Loan Documents or any document executed in connection therewith, and (b) the repayment of any and all other loans, advances or indebtedness of Borrower owed to Lender and all affiliates of Lender, of any nature whatsoever (collectively the "Obligations"), Mortgagor does hereby mortgage, grant and convey to Lender, with mortgage covenants, the following described property located in the **County of Boone, Commonwealth of Kentucky**, (herein, the "Real Estate"):

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

TOGETHER with all the improvements (other than those non-real estate and non-fixture improvements owned by persons or parties other than Mortgagor) now or hereafter erected on the Real Estate, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights, and water stock, all equipment (other than that equipment not owned by Mortgagor) essential to the operation of the improvements located on, and all fixtures now or hereafter permanently attached to the Real Estate, and all right, title and interest of Mortgagor in and to the land lying in the streets and roads, in front of and adjoining the Real Property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Real Estate covered by this Mortgage; and all of the foregoing, together with said Real Estate (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

BOONE COUNTY
M2797 PG 412

Mortgagor covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, and convey the Property, that the Property is unencumbered, and that Mortgagor will warrant and defend the title of the Property against all claims and demands.

COVENANTS: Mortgagor, Borrower, and Lender covenant and agree as follows:

1. **PAYMENT OF PRINCIPAL AND INTEREST.** Borrower shall promptly pay, or cause to be paid, when due, the principal and the interest on the Indebtedness evidenced by the Loan Documents, any extensions or renewals thereof, prepayment and late charges as provided in the Loan Documents, Obligations or other sums secured by this Mortgage.

2. **HAZARD INSURANCE.** Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss of fire, hazards included within the term "extended coverage", and such other hazards as Lender may require or as may be required by applicable law (including flood insurance required by Item 28 hereof), and in such amounts and for such periods as Lender may require; provided, however, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage unless required by applicable law.

The insurance carrier providing the insurance shall be chosen by Mortgagor, subject to approval by Lender, provided that such approval shall not be unreasonably withheld. Unless otherwise specified, all premiums on insurance policies shall be paid by Mortgagor making payment, when due, directly to the insurance carrier and providing receipt of said payments to Lender if requested by Lender. If, however, Mortgagor defaults on any premium payment, or Lender deems it necessary in its discretion, Lender may require a fund for insurance as provided for in Item 4.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender and shall provide that the policies shall not be amended or canceled without thirty (30) days prior written notice to Lender. Lender shall have the right to hold the original policies and renewals thereof, and Mortgagor shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Mortgagor. Lender is hereby given full power to collect any insurance proceeds or to settle and compromise any insurance claims or bring suit to recover thereunder.

Lender is authorized to apply the net proceeds of any insurance claim, after deducting all costs of collection including attorney's fees, at Lender's option, either to restoration or repair of the Property or to the sum secured by this Mortgage, and if, in the sole discretion of Lender, Lender is not satisfied with the adequacy of the collateral for the remaining indebtedness, Lender may without further notice or demand, elect to declare the whole of the remaining indebtedness due and payable and may invoke any of the remedies afforded it by law, and/or by this Mortgage, including those permitted in Item 18 hereof.

Unless Lender and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of any installment payments agreed to by Lender and Mortgagor, or change the amount of such installments. If under Item 18 hereof the property is acquired by Lender, all right, title and interest of Mortgagor in and to any insurance policies and in and to the proceeds thereof, resulting from damage to the Property prior to the sale or acquisition, shall pass to Lender to the extent of the sum secured by this Mortgage, immediately prior to such sale or acquisition.

3. **CHARGES; LIENS.** Mortgagor shall pay all taxes, liens, assessments and other charges, fines and impositions attributable to the Property, and leasehold payments or ground rents, if any, by Mortgagor making payment, when due, directly to the Payee thereof. Mortgagor shall promptly furnish to Lender all notices of amounts due under this paragraph, and Mortgagor shall promptly furnish Lender receipts evidencing such payment. If Mortgagor defaults on any payment of yearly tax or assessment which may attain priority over this Mortgage or the payment of ground rents, if applicable, or if Lender deems it necessary in its discretion, Lender may require a fund for such taxes and assessments as provided for in Item 4.

Mortgagor shall promptly discharge any lien or claim which has or may obtain priority over this Mortgage; provided that Mortgagor shall not be required to discharge any such lien so long as Mortgagor shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof. In the event any such lien or claim is not promptly discharged, Lender may, at its option, require Mortgagor to deposit with Lender such amounts or such bonds as are acceptable to Lender to assure the priority of this Mortgage. Mortgagor further agrees to pay to Lender any costs it may advance in order to protect the priority of its lien, including, but not limited to, court costs and reasonable attorney fees.

4. **FUNDS FOR TAXES AND INSURANCE.** If Mortgagor is in default on any premium payment on an insurance policy or if Mortgagor fails to pay yearly taxes or assessments when due, or if Lender is its discretion deems it necessary, Mortgagor shall be required to pay to Lender on the day any installments of principal and interest are payable under the Loan Documents, or on such other date as Lender may specify, until the Indebtedness is paid in full, a sum equal to a percentage, to be specified by Lender, of the yearly taxes and assessments (herein "Funds") which may attain priority over this Mortgage, and ground rents on the Property, if any, plus a percentage, to be specified by Lender, of the yearly premium installments for hazard insurance, plus a percentage to be specified by Lender, of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held by Lender and Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account, or verifying and compiling said assessments and bills, unless Lender pays Mortgagor interest on the Funds and applicable law permits Lender to make such a charge. No interest shall be paid to Mortgagor on the Funds, and unless said agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Mortgagor any interest or earnings on the Funds. Lender shall give to Mortgagor, without charge, an annual accounting of the Funds showing credits and debits to the Funds. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with future monthly installments of Funds payable prior to the due date of taxes, assessments, insurance premiums and ground rents, shall exceed this amount required to pay said taxes, assessments, insurance premiums and ground rents, as they fall due, such excess shall be, at Mortgagor's option, either promptly repaid to Mortgagor or credited to Mortgagor on periodic installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Mortgagor shall pay to Lender any amount necessary to make up the deficiency within thirty (30) days from the date notice is mailed by Lender to Mortgagor requesting payment thereof. Nothing in this paragraph shall be deemed to obligate Lender to pay such charges when due if the Funds are insufficient or the Mortgagor shall fail to supply Lender with the proper invoice when payment is due.

Upon payment in full of sums secured by this Mortgage, Lender shall within ten (10) days refund to Mortgagor any Funds held by Lender. If under Item 18 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply any Funds held by Lender as a credit against the sums secured by this Mortgage.

5. **APPLICATION OF PAYMENTS.** Unless otherwise agreed, all payments are to be applied in the following order: costs, expenses, attorneys' fees, interest, escrow, late fees or penalties and then principal. In the event this Mortgage secures more than one note or other debt instrument, at Lender's option, payments may be applied on any of the outstanding notes, or concurrently on more than one of the outstanding notes.

6. **PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLD; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or planned unit development, Mortgagor shall perform all of Mortgagor's obligations under the declaration of covenants

creating or governing the condominium or planned unit development, and the by-laws and regulations of the condominium or planned unit development.

7. **PROTECTION LENDER'S SECURITY.** If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, foreclosure, code enforcements, deed restrictions and registrations, or arrangements or proceedings involving a bankrupt or decedent, Lender at Lender's option, upon notice to Mortgagor, may make such appearances, disburse such sums, and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Mortgagor shall pay the premiums required to maintain such insurance in effect until such time as the requirement of such insurance terminates in accordance with Mortgagor's and Lender's written agreement or applicable law. Mortgagor shall pay the amount of all mortgage insurance premiums in the manner provided under Item 2 hereof.

8. **ENVIRONMENTAL LAWS.**

A. Except as set forth in Exhibit 8(a) hereto, Mortgagor and Borrower have obtained all permits, licenses and other authorizations which are required under any federal, state or local statute, ordinance, code or regulation affecting or regulating the environment ("Environmental Laws") and, to the best of Mortgagor's and Borrower's knowledge, Mortgagor and Borrower are in compliance in all material respects with all terms and conditions of the required permits, licenses and authorizations, and is also in compliance in all material respects with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in the Environmental Laws and Mortgagor will continue to remain in compliance in all material respects with any hereafter enacted or amended Environmental Laws;

B. Except as set forth in Exhibit 8(b) hereto, Mortgagor and Borrower are not aware of, and has not received notice of, any past, present or future events, conditions, circumstances, activities, practices, incidents, actions or plans which may interfere with or prevent compliance or continued compliance in any material respect with Environmental Laws, or may give rise to any material common law or legal liability, or otherwise form the basis of any material claim, action, demand, suit, proceeding, hearing, study or investigation, based on or related to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling, the emission, discharge, release or threatened release into the environment of any pollutant, contaminant, chemical, or industrial, toxic or hazardous substance or waste;

C. Except as set forth in Exhibit 8(c) hereto, there is no civil, criminal or administrative action, suit, demand, claim, hearing, notice or demand letter, notice of investigation, investigation, or proceeding pending or threatened against Mortgagor or Borrower, relating in any way to Environmental Laws; and

D. Lender will not be deemed to assume any liability or obligation or duty to clean-up or dispose of wastes on or relating to the Property. Mortgagor and Borrower agree to remain fully liable and will indemnify Lender from any and all costs, losses and expenses (including, without limitation attorney's fees) relating to any Environmental Laws or Mortgagor's breach of any of the foregoing representations or warranties. The provisions of this Section 8 will survive the release or satisfaction of this Mortgage or the foreclosure hereof.

9. **INSPECTION.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Mortgagor notice to any inspection specifying reasonable cause therefor related to Lender's interest in the Property. Additionally, Lender shall have the right to inspect the books and records of the operation of the Property and make copies thereof during normal business hours and upon notice to Mortgagor. Mortgagor shall keep their books and records in accordance with generally accepted accounting principles covering the operation of the Property, should the same be income-producing, and Lender may at its discretion require Mortgagor to deliver to Lender within ninety (90) days after the close of each of the Mortgagor's fiscal years an audited statement of condition and profit and loss statement for the Property for the preceding fiscal year, prepared and certified by a certified public accountant acceptable to Lender.

10. **CONDEMNATION.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the party or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. No awards or settlements shall be accepted without Lender's prior consent.

Lender is authorized to settle any claim, collect any award, and apply the net proceeds, after deducting all costs of collection including attorney's fees, at Lender's option, either to restoration or repair of the Property, or to the sums secured by this Mortgage, and if, in the sole discretion of Lender, Lender is not satisfied with the adequacy of collateral for any remaining indebtedness, Lender may without further demand or notice elect to declare the whole of the remaining indebtedness immediately due and payable and may invoke any of the remedies afforded it by law, and/or by this Mortgage, including those permitted by Item 18 below.

Unless Lender and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of any installment payments referred to in Item 1 hereof or change the amount of such installments.

11. **MORTGAGOR NOT RELEASED.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower approved by Lender shall not operate to release, in any manner, the liability of the original Mortgagor and Mortgagor's successors in interest.

Lender shall not be required to commence proceedings against such successor or refuse time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Mortgagor or Borrower or Mortgagor's or Borrower's successors in interest.

12. **FORBEARANCE BY LENDER NOT A WAIVER.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

13. **REMEDIES CUMULATIVE.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage, the Note evidencing the Indebtedness or any of the Loan Documents or as afforded by law or equity and may be exercised concurrently, independently or successively.

14. **SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CAPTIONS.** The covenants and agreements contained herein shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Mortgagor, Borrower, and Lender, subject to the provisions of Items 17 and 18 hereof. All covenants and agreements of Mortgagor and Borrower shall be joint and several. The captions and headings of the Items of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

15. **NOTICE.** Except for any notice required under applicable law to be given in another manner, any notice to Mortgagor or Borrower provided for in this Mortgage shall be given by mailing such notice by certified or registered mail, return receipt requested, to Mortgagor or Borrower at the address as carried on the records of the Lender. Any notice to Lender shall be given by certified or registered mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Mortgagor or Borrower as provided herein.

16. **GOVERNING LAW; SEVERABILITY.** This transaction shall be governed by the laws of the state where the Property is located. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of either this Mortgage or the Note which can be given effect without the conflicting provision, and in this regard, the provisions of this Mortgage and the Note are declared severable.

17. **TRANSFER OF THE PROPERTY AND INTEREST THEREIN.** If all of any part of the Property or an interest therein is sold, transferred, encumbered or otherwise conveyed by Mortgagor, without Lender's prior written consent, or if any contract to do any of the same is entered into by Mortgagor without Lender's prior written consent, excluding a transfer by devise, descent or, by operation of law upon the death of a joint tenant, it shall be deemed to increase the Lender's risk and Lender may, at Lender's option, either declare all the sums secured by this Mortgage to be immediately due and payable, or may consent to said conveyance in writing and may increase the interest rate of this loan and/or impose whatever conditions it may deem necessary to compensate it for the increased risk. Lender shall have waived such option to accelerate if, prior to the conveyance, Lender and the person to whom the Property is to be conveyed reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sum secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in Item 18, and if Mortgagor's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender may, in its discretion, release Mortgagor from all obligations under this Mortgage and the Note, and any such decision to release or not to release Mortgagor shall be evidenced by said written assumption agreement.

If Mortgagor herein is other than an individual or individuals acting on their own behalf, any change in the legal or beneficial ownership of such Mortgagor or entity which changes the identity of any person or persons having, directly or indirectly, more than 10% of either the legal or beneficial ownership of either such Mortgagor, such entity, or of the Property shall be deemed to be a transfer within the meaning of this Item. Such transfer shall not be made, created or suffered to be made or created, without Lender's prior written consent.

18. **ACCELERATION; REMEDIES.** Upon default in the payment of indebtedness hereby secured or any part thereof in accordance with the terms of this Mortgage, of the aforesaid Note or of any other document executed in conjunction with this Mortgage or the Note, or in the performance of any covenant or agreement of Mortgagor or Borrower in this Mortgage or in the payment or performance of any document or instrument securing any Obligation, or upon the filing of any lien or charge against the Property or any part thereof which is not removed to the satisfaction of Lender within a period of thirty (30) days thereafter, the institution of any proceeding to enforce the lien or charge upon the Property or any part thereof, the filing of any proceeding by or against Mortgagor in bankruptcy, assignment by Mortgagor of its property for the benefit of its creditors, the placing of Mortgagor's property in receivership, trusteeship or conservatorship with or without action or suit in any Court, or the abandonment by Mortgagor of all or any part of the Property, then the Lender at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable. The Mortgage shall bear interest at the highest rate permitted to be charged on delinquent installments of principal and interest under the Note or the highest rate allowed by law, and this Mortgage shall become absolute and subject to foreclosure. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, costs of documentary evidence, abstracts, title reports and reasonable attorney's fees.

19. **MORTGAGOR'S RIGHT TO REDEEM.** Mortgagor shall have such rights of redemption as are provided by the law of the State where the property is located.

20. **DOWER.** Mortgagor covenants that all dower interest, if any, in and to the Property is hereby remised, released and forever quitclaimed unto Lender by Mortgagor.

21. **ASSIGNMENT OF RENTS.** Upon default in the payment of indebtedness hereby secured or in the performance of any of the terms, covenants and conditions of the Mortgage, of the Note or of any other document executed in conjunction with this Mortgage, then the Lender shall have the right without notice and without regard to the adequacy of any security for the indebtedness hereby secured and with or without the appointment of a receiver, to enter upon and take possession of the Property, and Lender may operate, manage, rent and lease the Property and collect any rents, issues, income and profits therefrom, the same being hereby absolutely assigned and transferred to and for the benefit and protection of Lender, contingent only upon the occurrence of a default. All rents collected by Lender may be applied to the cost of operation, maintenance and repair, and reasonable collection, management and attorney's fees and then in reduction of any indebtedness hereby secured in such other proportions as Lender may determine.

22. **FUTURE ADVANCES.** Upon request by Borrower, Lender, at Lender's option, may make Future Advances to Borrower. Such future and additional loan advances, with interest thereon, shall be secured by

this Mortgage, when evidenced by promissory notes and/or guaranties stating that such notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed One Million Seven Hundred Fifty Thousand and 00/100 Dollars (\$1,750,000.00).

23. **RENTAL OF PROPERTY RESTRICTED.** To the extent that any change to any lease impairs the collateral, Mortgagor shall not make, or suffer to be made, any lease of the Property or any part thereof, or any modification, extension or cancellation of any existing or future lease, without Lender's prior written consent, other than in Mortgagor's ordinary course of business. If, with Lender's written consent, there is a lease on the Property, Mortgagor is to perform all of Mortgagor's obligations under such lease or leases. Mortgagor is not to accept any prepayment or rent for more than one month in advance without Lender's prior written consent. Upon Lender's request from time to time, Mortgagor is to furnish Lender a statement, in affidavit form, in such reasonable detail as Lender may require, of all of the leases on the Property and, on demand, to furnish Lender executed counterparts of any and all such leases.

If Mortgagor shall enter into any lease agreement, written or oral, concerning the Property or any part thereof without having obtained Lender's prior written consent, other than in Mortgagor's ordinary course of business. Lender shall not be bound by or obligated to perform under any such lease in the event it exercises its remedies set forth in Item 21 or any other provision thereof.

24. **RELEASE.** Upon payment of all Indebtedness and Obligations secured by this Mortgage, Lender shall discharge this Mortgage with any costs paid by Mortgagor.

25. **MORTGAGE AS SECURITY FOR OTHER LIABILITIES.** This Mortgage shall serve as security for every other liability or liabilities of the Mortgagor and Borrower to the Lender or any of its affiliates however created, direct or contingent, due or to become due, whether now or hereafter existing and whether the same may have been or shall be participated in, in whole or in part by others, by trust agreement or otherwise, or on any manner acquired by or accruing to the holder hereof, whether by agreement with, or by assignment or endorsement to the Lender by anyone whomsoever.

It is the express intent of the parties hereto that this Mortgage and the note or notes given contemporaneously herewith, and any extensions or renewals thereof, shall also evidence and secure any additional loan advances made after the delivery of this Mortgage to the recorder for record.

Notwithstanding the above, no debt or other liability, as described above shall be secured by the within Mortgage, if it shall hereafter be created in a "consumer credit transaction" as defined in Title 1, Consumer Credit Protection Act, 15 U.S.C.A., Sections 1601, et. seq., as amended, or any successor federal statute, or any applicable state statute containing substantially similar provisions.

26. **UNIFORM COMMERCIAL CODE SECURITY AGREEMENT.** Mortgagor and Borrower hereby grant Lender a security interest in all items included in the Property which can be subject to a security interest under the Uniform Commercial Code. Mortgagor and Borrower will execute and deliver to Lender all financing statements and other documents requested by Lender to perfect its security in such property, and Mortgagor and Borrower will pay the expense of filling such documents and of conducting a search of records in which documents are recorded. The covenants and agreements of Mortgagor and Borrower throughout this Mortgage will apply to all items which are subject to the security interest granted herein. Upon the occurrence of any Event of Default under this Mortgage, Lender will have the remedies of a secured party under the Uniform Commercial Code and, at Lender's sole option, may also invoke the remedies provided in this Mortgage. In exercising any of such remedies, Lender may proceed against the items of real property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the remedies in this Mortgage. This Mortgage may be filed with appropriate authorities as a Uniform Commercial Code Financing Statement.

27. **FLOOD INSURANCE.** If any part of any of the Property lies within a "special flood hazard area" as defined and specified by the United States Department of Housing and Urban Development pursuant to the Flood Disaster Protection Act of 1973 as now in effect: Mortgagor shall (i) promptly purchase and pay the

premiums for flood insurance policies as Lender deems required so that Lender shall be deemed in compliance with the rules and regulations and provisions of the Flood Disaster Protection Act of 1973 as then in effect; and (ii) deliver such policies to Lender together with evidence satisfactory to Lender that the premiums therefor have been paid. Such policies of flood insurance shall be in form satisfactory to Lender, shall name Lender as an insured thereunder, shall provide that losses thereunder be payable to Lender pursuant to such forms of loss payable clause as Lender may approve, shall be for an amount at least equal to the indebtedness or the maximum limit of coverage made available with respect to any of the Property under the National Flood Insurance Act of 1968, as amended, whichever is less, and shall be noncancellable as to Lender except upon thirty (30) days prior written notice given by the insurer to Lender. Within thirty (30) days prior to the expiration date of each such flood insurance policy, Mortgagor shall deliver to Lender a renewal policy or endorsement together with evidence satisfactory to Lender that the premium therefor has been paid. Mortgagor hereby indemnifies, saves and holds Lender harmless from any losses incurred by lender arising out of Mortgagor's failure to obtain or maintain such insurance.

28. **JURY WAIVER.** MORTGAGOR AND BORROWER WAIVE THE RIGHT TO TRIAL BY JURY OF ANY MATTERS ARISING OUT OF THIS MORTGAGE OR THE TRANSACTIONS CONTEMPLATED HEREBY.

29. **THIS MORTGAGE IS BEING GRANTED TO THE MORTGAGEE IN ORDER TO SECURE A LOAN MADE BY THE MORTGAGEE TO OR FOR THE DIRECT OR INDIRECT BENEFIT OF THE MORTGAGOR FOR THE PURPOSE OF ERECTING, IMPROVING OR ADDING TO A BUILDING (KRS 376.050).**

30. **THIS MORTGAGE IS GRANTED AS COLLATERAL TO SECURE A LINE OF CREDIT IN THE MAXIMUM PRINCIPAL AMOUNT OF \$1,750,000.00. THE MAXIMUM CREDIT LIMIT WHICH MAY BE OUTSTANDING AT ANY TIME OR TIMES UNDER THE LINE OF CREDIT AND WHICH IS TO BE SECURED BY THIS MORTGAGE IS THE SUM OF \$1,750,000.00 (KRS 382.385).**

MORTGAGOR:

FINKE HOMES, INC.,
A Kentucky Corporation

By: *Joan Hardcorn VP*
Name: *Joan Hardcorn*
Title: *Vice President*

COMMONWEALTH OF KENTUCKY)
) ss:
COUNTY OF *Boone*)

The foregoing instrument was acknowledged before me, a Notary Public, by **FINKE HOMES, INC., a Kentucky Corporation**, by and through *Joan Hardcorn VP*, its

7th of October

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ day of ~~September~~, 2004.

Jim J. Pata
NOTARY PUBLIC
COMM. EXPIRES: *7-23-05*

This Instrument Prepared By:

Robert D. Dilts

ROBERT D. DILTS

ADAMS, STEPNER, WOLTERMANN
& DUSING, P.L.L.C.

40 West Pike Street

P.O. Box 861

Covington, Kentucky 41012-0861

(859) 394-6200

EXHIBIT 6(2)
[ENVIRONMENTAL PERMITS]

NONE

#193346v1

BOONE COUNTY
M2797 PG 421

[ENVIRONMENTAL NOTICES]

NONE

#193346v1

BOONE COUNTY
M2797 PG 422

NONE

#193346vl

BOONE COUNTY
M2797 PG 423

PARCEL ONE:

GROUP NO. 4594
PLAT CABINET 5, PAGE 74

Being all of Lot Number 115, Section 13, Burl Park Subdivision, as same appears on Plat of record in Cabinet 5, Page 74, of the Boone County Clerk's records at Burlington, Kentucky.

Subject to easements, conditions and restrictions of record and/or inexistence.

Being the same property conveyed to Mortgagor herein from Burl Park, LLC, a Kentucky Limited Liability Company, by Deed dated July 21, 2004 and recorded in Deed Book 879, page 311 of the Boone County Clerk's records at Burlington, Kentucky.

PARCEL TWO:

GROUP NO. 4454
PLAT BOOK 4, PAGE 333

Being all of Lot Twelve (12), Section Two (2), Howe Acres, as recorded in Plat Book 4, Page 333, Boone County Clerk's records at Burlington, Kentucky.

Subject to Restrictions as recorded in Misc. Book 946, Page 375, same records.

Subject to easements, conditions and restrictions of record and/or inexistence.

Being the same property conveyed to Mortgagor herein from Steve Curley Construction, Inc., a Kentucky corporation, by Deed dated March 15, 2004 and recorded in Deed Book 871, page 336 of the Boone County Clerk's records at Burlington, Kentucky.

PARCEL THREE: *

GROUP NO. 4014
PLAT SLIDE 541-B

Being all of Lot No. 68 of Howe Acres, Section 1, as shown on Slide Plat 541-B of the Boone County Clerk's records at Burlington, Kentucky.

Subject to easements, conditions and restrictions of record and/or inexistence.

Being the same property conveyed to Mortgagor herein from Lawrence Howe and Mary Lou Howe, husband and wife, by Deed dated April 18, 2000 and recorded in Deed Book 778, page 695 of the Boone County Clerk's records at Burlington, Kentucky.

PARCEL FOUR:

GROUP NO. 4497
PLAT CABINET 4, SLIDE 376

Being all of Lot No. Four (4) of Lauren Meadows Subdivision, Section One (1), Phase One (1) as recorded on Plat Cabinet 4, Slide 376 of the Boone County Clerk's records at Burlington, Kentucky.

Subject to Protective Covenants, Easements and Restrictions of record and as recorded in Misc. Book 963, Page 610 of the Boone County Clerk's records at Burlington, Kentucky.

Subject to easements, conditions and restrictions of record and/or inexistence.

Being the same property conveyed to Mortgagor herein from Lauren Woods Development, LLC, a Kentucky Limited Liability Company, by Deed dated June 22, 2004 and recorded in Deed Book 877, page 235 of the Boone County Clerk's records at Burlington, Kentucky.

PARCEL FIVE: ✖

GROUP NO. 4497
PLAT CABINET 4, SLIDE 376

Being all of Lot No. Five (5) of Lauren Meadows Subdivision, Section One (1), Phase One (1) as recorded on Plat Cabinet 4, Slide 376 of the Boone County Clerk's records at Burlington, Kentucky.

Subject to Protective Covenants, Easements and Restrictions of record and as recorded in Misc. Book 963, Page 610 of the Boone County Clerk's records at Burlington, Kentucky.

Subject to easements, conditions and restrictions of record and/or inexistence.

Being the same property conveyed to Mortgagor herein from Lauren Woods Development, LLC, a Kentucky Limited Liability Company, by Deed dated April 20, 2004 and recorded in Deed Book 873, page 353 of the Boone County Clerk's records at Burlington, Kentucky.

PARCEL SIX:

GROUP NO. 4497
PLAT CABINET 4, SLIDE 376

Being all of Lot No. Six (6) of Lauren Meadows Subdivision, Section One (1), Phase One (1) as recorded on Plat Cabinet 4, Slide 376 of the Boone County Clerk's records at Burlington, Kentucky.

Subject to Protective Covenants, Easements and Restrictions of record and as recorded in Misc. Book 963, Page 610 of the Boone County Clerk's records at Burlington, Kentucky.

Subject to easements, conditions and restrictions of record and/or inexistence.

Being the same property conveyed to Mortgagor herein from Lauren Woods Development, LLC, a Kentucky Limited Liability Company, by Deed dated February 17, 2004 and recorded in Deed Book 869, page 915 of the Boone County Clerk's records at Burlington, Kentucky.

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PARCEL SEVEN:

GROUP NO. 4497
PLAT CABINET 4, SLIDE 376

Being all of Lot No. Sixty-nine (69) of Lauren Meadows Subdivision, Section One (1), Phase One (1) as recorded on Plat Cabinet 4, Slide 376 of the Boone County Clerk's records at Burlington, Kentucky.

Subject to Protective Covenants, Easements and Restrictions of record and as recorded in Misc. Book 963, Page 610 of the Boone County Clerk's records at Burlington, Kentucky.

Subject to easements, conditions and restrictions of record and/or inexistence.

Being the same property conveyed to Mortgagor herein from Lauren Woods Development, LLC, a Kentucky Limited Liability Company, by Deed dated September 3, 2003 and recorded in Deed Book 860, page 609 of the Boone County Clerk's records at Burlington, Kentucky.

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DOCUMENT NO: 280849
RECORDED ON: OCTOBER 13, 2004 04:02:03PM
TOTAL FEES: \$36.00
GROUP : 4594
COUNTY CLERK: MARILYN K ROUSE
COUNTY: BOONE COUNTY CLERK
DEPUTY CLERK: DONNA COLLINS

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