

GENERAL WARRANTY DEED TO TRUSTEE

THE GRANTOR(S) _____ [insert marital status], for and in consideration of Ten Dollars (\$10), and other good and valuable consideration, grant with general warranty covenants unto the Grantee, _____, a _____ Company, as Trustee (and not personally) under the provisions of a Trust Agreement dated _____, 20____, its successors and assigns, whose tax mailing address is _____, real property known as _____ and further described as follows (“Property”):

SEE ATTACHED EXHIBIT A

Prior Deed Reference: Vol.____, Page____, _____ County General Records.

Permanent Parcel No. _____

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging, or in anyway appertaining.

TO HAVE AND TO HOLD the Property in fee simple forever, with the appurtenances attached hereto upon the trust and for the uses and purposes set forth herein and in said Agreement.

FULL POWER and authority is granted to said Trustee in the Trust Agreement, with respect to the said premises or any part of it, and at any time or times, to subdivide the Property or any part thereof, to dedicate parts, streets, highways , or alleys and to vacate any subdivision or part thereof, and to resubdivide the Property as often as desired; to contract to sell, to grant options to purchase, sell on any terms, to convey either with or without consideration, to donate, to mortgage, pledge or otherwise encumber the Property, or any part thereof; to lease the Property, or any part, from time to time, in possession or reversions by lease to commence now or later, and upon any terms and for any period or periods of time, and to renew or extend leases upon any terms and for any period or periods of time, and to amend, change or modify and the terms and provisions thereof at any time hereafter; to contract to make leases and to grant options to lease and options to renew leases and options to purchase the whole or any part of the reversion and to contract respecting the manner of fixing the amount of future rents; to partition or to exchange the Property or any part thereof for other real or personal property; to grant easements or changes of any kind, and to release, convey or assign any right, title or interest in or about easements appurtenant to the Property or any part thereof; and to deal with the Property and every part thereof in all other ways and for such other consideration as would be lawful for any person owning the same to deal with the same, where similar to or different from the ways above specified, at any time or times hereafter.

IN NO CASE shall any party dealing with said Trustee in relation to the Property, to whom said Property is conveyed, contracted to be sold, leased or mortgaged by said Trustee, be obliged to see to the application of any money borrowed or advanced on the Property, or be obliged to see that the terms of the Trust agreement have been complied with, or be obliged to inquire into the necessity or expediency of any act of said Trustee, or be obliged or privileged to inquire into any terms of said Trust Agreements, and every deed, mortgage, lease, or other instrument executed by said Trustee in relation to the Property shall be conclusive evidence in favor of every person relying upon or claiming under such conveyance, lease or other instrument, (a) that at the same time of delivery thereof, the Trust created by said Trust agreement was in full force and effect, (b) that such conveyance or other instrument was executed in full accordance of the Trust Agreement’s provisions and any limitations contained herein and in said Trust Agreement or

in some amendment thereof and binding upon beneficiaries thereunder and (c) that said Trustee was duly authorized and empowered to execute and delivery every such deed, lease, mortgage and other instrument.

THE INTEREST of each and every beneficiary hereunder and of all persons claiming under them or any of them shall be only in the earning, avails and proceeds arising from the sale or other dispositions of the Property, and such interest is hereby declared to be personal property. No beneficiary hereunder shall have any title or interest, legal or equitable, in or to the Property as such, but only an interest in the earnings, avails and proceeds thereof as a foresaid.

AND the Grantor hereby covenants with said Grantee that the Grantor is lawfully seized of the Property in fee simple, that the Grantor has good right and lawful authority to sell and convey said Property and will defend the same against the lawful claims of all persons whomsoever, and that the Property is free and clear of all encumbrances, except: (i) easements, covenants, conditions and restrictions of record; (ii) all legal highways; (iii) zoning, building and other laws, ordinances and regulations; and (iv) real estate taxes and assessments which are a lien but not yet due and payable.

EXECUTED this _____ day of _____, 200__.

Witnesses:

Grantor

Grantor

State of _____
County of _____

I HEREBY CERTIFY that on this day, before me, a Notary Public, in and for said county and state, personally appeared the above named Grantor(s), _____, known to me as the person(s) described in and who executed the foregoing instrument, who acknowledged before me that _____ executed the same as _____ free act and deed.

Witness my hand and official seal in the County and State aforesaid this _____ day of _____, 20__.

Notary Public
My commissions expires

THIS DOCUMENT PREPARED BY _____

WORKING WITH PRIVATE MONEY



Private money is borrowed from individuals, not institutions (banks, mortgage brokers, hard money lenders, etc...). To get private money, it is best to develop relationships with private lenders as opposed to institutions.

Mortgage brokers set the terms, interest rates and the points they charge for their services. However, they also go out into the public sector seeking out private lenders for money, just as you would. Therefore, it is in your best interest to build your network of private lenders, thus saving rates and fees passed along by mortgage brokers.

WHAT TO SAY TO PRIVATE LENDERS



When discussing private lending, say this:

Do you currently have an IRA or other investment capital that is yielding less than a 12% return?

- **If they say they already have an investment with have a higher ROI (return on investment) percentage, then continue with the next person. This person does not want to play ball.**

- **If they say “Yes,” say this:**
 - ❑ Many people like you, make short-term, higher interest loans to me because I purchase and rehab houses.
 - ❑ Their money is secured by a note and a mortgage, and I pay very attractive interest rates for their investments.
 - ❑ Title companies close each deal with the appropriate documentation, including both title and fire insurance.
 - ❑ Most importantly, I never borrow more than 65% of the house’s value; ensuring that I can either sell the house quickly at a profit, or hold out for a wider profit margin. I always analyze which strategy to apply to maximize return on each investment.
 - ❑ Does this seem to be of interest to you?



Do You Have an IRA or Other Investment Capital That's Not Getting You a 12% Return Safely?

My name is _____, and I buy and sell single-family homes here in the _____ area. As a professional real estate investor, I know the real estate business inside and out, and have extensive experience with the purchase and sale of over _____ single family homes in the last _____ years.

My primary business is the purchase and sale of homes from owners who were not able to sell through a real estate agent or "By Owner", and now find themselves needing to sell immediately. As a result, I am able to get these properties at a steep discount in return for a quick closing.

I also have a business where I buy homes from owners in foreclosure. I negotiate discounts with their lender(s) in return for a quick payoff before the foreclosure auction. In these situations, I borrow short-term funds from individuals like you, looking to a 12% return on their IRA and other investment funds.

YOUR MONEY IS SECURE AND WORKING FOR YOU!

When you invest your money with us, you will get a 12% interest return, almost double the average of today's traditional funds. **Your money is also protected by a first mortgage on the property, giving you the comfort of secure collateral for your investment.**

We are not "fly-by-night" investors. You won't read about us in the local papers as short-term con men. We are long-term pros, doing deals the right way. A professional title company using title insurance, hazard insurance, and all other required legal documents closes all of our property transactions.

I never borrow more than 75% of the value of the home, assuring you of built-in equity and sufficient money for your security.

If you would like to get a short term 12% return on your investment capital and IRA's safely and secured, please call me immediately to schedule an appointment. **I may be reached at _____.**

Please let my assistant know you need to speak with me personally about becoming a Private Lender.

Sincerely,

FINDING PRIVATE MONEY



- Put together a list of targeted prospects that have a high net worth.
- You will find that the more successful each person is, the easier they are to approach.
- Call each person on your list to arrange and describe your investment model.
- To widen your circle of influence, attend functions and events that attract wealthy people. As you network and meet new people, talk about their interests and goals.
- The goal is to borrow money while returning about 10 – 12% to each lender.
- Obtain a verbal commitment of their investment amount and confirm if the money is in an IRA, or if the funds are liquid.
- If the funds are coming from a retirement account, they will need to be transferred to a third-party administrator for retirement accounts. The funds will be transferred to Equity Trust Company in Elyria, Ohio, a company that specializes in administering IRA's for real estate investments. Equity Trust Company, 225 Burns Road, Elyria, Ohio 44035, 440-323-5491, 877-693-8208.
- Once they agree, find a solid investment opportunity as fast as possible. However, if the right properties do not become available right away, stay in contact with your investor to let him or her know that you are still scouring the market to find a solid investment property.



Los Angeles Invest

Business Vision

- Serve highly motivated homeowners who are in crisis or transition and, therefore, must quickly sell their house, and for whom a traditional Realtor is not the best solution. Our target acquisitions, sometimes called “ugly houses,” are badly in need of repair.
- Buy, rehab and resell 800-1600 square foot, single family homes at the low end of the market (\$100,000 - \$200,000) to first-time buyers. We call this business of buying, rehabbing and immediately selling distressed houses of motivated sellers “quickturning.” Our compelling proposition: **we buy for cash in 30 days.**
- The **Marketing Plan** is based on establishing market dominance in a single geographical Los Angeles emerging market by applying **8 Proven Methods** for attracting motivated sellers in need of our fast, all cash solution. By “emerging” we mean newly popular and under-valued.
- Private money lenders will finance purchases and rehabs. Banks will not be involved in our quickturn strategies. Each property will have one private money lender who will receive 12-15% interest, secured by a first trust deed, processed through escrow with title and fire insurance. Lenders may use self-directed retirement accounts. The total value of private lender loans will not exceed 60% of the after repaired value of the house.
- Emerging Market: The contiguous neighborhoods of Highland Park and Glassell Park are our market choice for first time buyers due to the area’s close proximity to trendy downtown Los Angeles.

Acquisition Formula

Determining our **Maximum Allowable Offer** (“MAO”) is a three step process:

1. Determine After Repaired Value (“ARV”)
2. Multiply ARV by .60
3. Deduct cost of repairs

Negotiations start 5% under MAO. We never pay in excess of MAO, a discipline for ensuring that profits are built in at acquisition.

Acquisition Formula Example

Profits are built in at acquisition by buying at 60% of **After Repaired Value**, less cost of repairs. Let’s say a seller is asking \$220,000 and we know rehabbed, comparable houses that have sold in the last 90 days went for \$330,000. That number becomes ARV (Step 1 above). By multiplying that number times

.60, we arrive at our 60% target loan-to-value ratio (Step 2). The third and final step to determine our **Maximum Allowable Offer** is to deduct the cost of repair (determined by physical inspection). Now let's assume that the cost of repair is \$45,000, the high end of our typical 800-1600 square foot target product. By deducting \$45,000 from the 60% of ARV, we arrive at the **Maximum Allowable Offer** or, in this case, \$153,000.

This level of ROI is due to the market downturn and the sustained demand for low end, first time buyer product.

All sellers are not our customers; ours is a niche business. We only serve those who are highly motivated and for whom a traditional Realtor is not the best solution.

Initial rehabs will be done by M & M Construction, a company we have worked with since 1997 on other residential rehabs. We will gradually bring on our own crews.

All rehabbed products will be marketed through the Multiple Listing Service.

Marketing Plan

Establishing Market Dominance

8 Proven Ways to Attract Motivated Sellers

1. **Bandit Signs** – Also known as road signs.
2. **Car Door Magnet Signs** – By establishing numerous, reciprocal, preferred vendor relationships with local contractors and handymen in exchange for putting signs on their vehicles, we will create a fleet of local advertising
3. **Classified Ads** – Surveys show that people who are in crisis and must sell fast still use local newspapers in search of cash buyers in addition to online searches.
4. **Business Cards and Postcards** – Repeatedly distributed throughout our market.
5. **Realtors** – Key reciprocal “A Team” relationships yield a flow of daily prospects.
6. **Vacant and Abandoned** – Compensate birddogs who drive the market in search of houses that have been inherited or are owned by out of state owners.
7. **Door-to-Door** – Sticky notes with the message, “I’m looking to buy a house in this neighborhood.”
8. **Cable Weather Channel “Crawls”** – Repeat “Sell Your House Fast” message along the bottom of the screen.

It is statistically proven that it takes 40 offers to purchase one property using this niche strategy. Through our own “Sell Your House Fast!” direct marketing, and by working with Realtors, we will ramp up to and sustain 30 offers a week for the next two years. In addition to making new offers each month, declined offers from previous months will be automatically resubmitted.

Target Acquisition

“Ugly” House



Branding Strategy

Establishing Market Dominance

Sell Your House

Fast!

Quick Sale - Fair Price

818-831-6768

GOAL> Become the “go to” buyers of choice in our market by repeating the same yellow sign messaging in these local, grass roots applications: road bandit signs, fleet of vehicles with magnetic door signs, classified print and online ads, out-of-state vacant house searches, door hangers and cable Weather Channel crawls.

We will reach massive, repetitive messaging to achieve market dominance.



Jeff LeBarton, a native of Los Angeles, lives in Pasadena with Chava, his wife of 23 years. Jeff's career in real estate began working as a market research and marketing consultant for residential subdividers. Since that time, Jeff has developed high end residential product in WLA, funded RTC acquisitions in Texas and rehabbed high end houses in WLA and Los Feliz. Jeff is excited to be well positioned in another lucrative cycle. Contact Jeff at info@LosAngelesInvest.com or 323-493-3030.

Action Real Estate Investments, LLC

Disclosure Document

PROPRIETARY AND CONFIDENTIAL

This document includes information that is proprietary and confidential and is not to be copied or distributed without the approval of an officer of Action Real Estate Investments, LLC.

This offer is limited to Wisconsin investors and has been prepared to comply with the laws and regulations of the State of Wisconsin.

Because this Disclosure Document focuses primarily on details concerning the company rather than the industry in which the company operates or will operate, potential investors may wish to conduct their own separate investigation of the company's industry in order to obtain broader insight in assessing the company's prospects.

THE COMPANY

Action Real Estate Investments, LLC ("Company") is a limited liability corporation registered in the State of Wisconsin and was incorporated in(2009). Its office is located at P.O. Box 446 Eagle, WI 53119, within Waukesha County, WI and its telephone number is 262-206-3807.

Action Real Estate Investments, LLC is a private Real Estate Investing Company, founded by David Barker to acquire, rehabilitate, lease or resell residential and commercial real estate. Dave started investing in real estate in (1993 and started ARE Investments in 2009 *with the goal of providing affordable rental housing in the Waukesha, Milwaukee and Walworth, Wisconsin area. The company is not a realtor; it is a real estate investor. As the company grew, we understood that many of our customers, while wanting to own their own home, had economic, employment or credit problems, which kept them from qualifying for a traditional mortgage loan. Because we quickly recognized that huge pent-up demand, we expanded our rental business to include creating affordable, single-family housing throughout S-Eastern, Wisconsin).*

The Company is experienced in purchasing homes that market for at least (\$75,000). It is the Company's opinion that homes below this price point are neither as desirable nor as potentially profitable as homes at or above this price point. There are several factors that lead us to this conclusion. Key to our analysis is our belief and experience that homes below this price point are not maintained as well by our customers, and that they are simply less desirable to potential homebuyers.

Action Real Estate Investments, LLC has developed creative home purchase financing techniques such as a Land Contract or Lease Purchase Agreement, Retail (rehab plus sell for all cash) and Wholesale (no rehab and sell for all cash) which allows Customer/Buyers to make an initial down payment, or option deposit, while occupying the home. This allows our Customers/Buyers to make progress toward home ownership. Please note that these down payments or option deposits are non-refundable and the purchase price for each property is set when the agreement is signed. While living in what will eventually be their own home, our Customers/Buyers can build equity, repair their credit, establish a reputable financial management history and ultimately become qualified for a standard home mortgage. This model also gives our customers a financial incentive to maintain their properties.

Through these programs Customers/Buyers will pay a down payment or option fee along with monthly payments, giving these Customers/Buyers the time and opportunity to increase their ability to secure a traditional home mortgage from a bank or other financial institution.

Additionally, we will offer to our Customers/Buyers interested in purchasing a home information and assistance in building up their credit scores, enabling them to be better positioned to obtain their own traditional mortgage, which in turn will improve the Company's ability to work with customers who can become homebuyers.

Our Customers/Buyers understand and appreciate that Action Real Estate Investments, LLC has demonstrated a strong commitment to parts of the community whose housing needs have been badly underserved and where few realistic options have been available to those seeking, and capable of, home ownership. Action Real Estate Investments, LLC not only provides affordable housing but also by the very nature of the business, helps the local economy by providing work for local contractors, realtors, mortgage companies and other related businesses.

RISKS OF INVESTMENT

The Company uses funds borrowed from private lenders to invest in real estate primarily, but not necessarily exclusively, in and around Waukesha, Milwaukee and Walworth Counties. We focus on residential properties, although we will consider investing in commercial and other properties in certain circumstances.

As a real-estate investment company, we are subject to risks including, but not limited to:

- Availability of investment capital from private lenders
- Local real estate markets
- Competition from other real-estate investment companies, which may offer competitive interest rates or possibly better terms and/or conditions to private lenders
- Availability of investment-grade properties
- Legal and regulatory issues
- Costs associated with rehabbing and maintaining properties
- The possibility of selling a home for less than it was purchased
- The possibility of selling a home for less profit than anticipated
- The possibility of a home going unsold for an extended period of time
- Unanticipated repair costs
- Changing market conditions
- Interest rate changes
- Potential damage caused by customers
- The death or disability of (*David Barker or Officers*)
- Potential lack of demand for a property or types of property
- *The Company's current shareholder's equity of [\$00,000 or (\$00,000)] *Positive or negative depending on your actual results or projections.* This means that the Company currently has positive/negative earnings. The Company projects that these positive/negative earnings, which have been increased/reduced in the past year, will continue to be increased/reduced and that the Company may reach positive/negative earnings within 2006, but the Company cannot guarantee this result.*

MANAGEMENT

- David Barker is the president and sole director of the company. He has served as president of the company since its formation.
- The company compensates David Barker out of its profits from its real estate investments.
- David Barker owns all the stock of the corporation. (*There are 850 common shares, without par value, all owned by (Your Name)*).
- David Barker receives annual compensation of *(\$00,000)*your salary** from the Company.

COMPANY OPERATIONS

Payments will be made to our private lenders on a monthly basis or at a time the property is sold. Invested funds will be secured with a mortgage on each property, and when appropriate, with a state UCC filing to record the security interest in the properties. Hazard insurance will be secured on the properties, payable to our private lenders.

David Barker and his staff know the local real estate markets and look at numerous properties before purchasing them. They use qualified contractors to rehab purchased properties. Real estate attorneys conduct closings.

TERMS OF THE OFFERING

The company is offering its investors (“private lenders” or “lenders”) the opportunity to invest with the company. The minimum investment is *(\$25,000)*. The total offering is for investments up to *(\$1,750,000)*. Only investors resident in the State of WI will be offered or sold such investments, and any person or business entity not resident in the State of WI who may attempt to invest, or does invest, in the company may, and shall have such investment cancelled and funds returned upon the discovery of same. The investment is a security and will only be offered by registration or exemption under WI laws and regulations, and in compliance with both state and federal laws and regulations. The investment is an interest-bearing debt security.

This offering is being made pursuant to (*Ohio Revised Code Sections 1707.06, 1707.08 and 1707.11*), also known as registration by description.

We will use a tiered interest-rate system. This system was created so as to offer investors a rate of return better than what is available from local banks on certificates of deposit or other, similar deposit products. The tiers are also intended to give incentives to investors to invest more, or to invest their funds with Integrity on an accrual basis. Accrual basis means that an investor will allow his/her funds to accrue simple interest with us until the sale of the home.

The company has existing Private Lenders whose interest rates have been grandfathered in with the company. The Company currently has funds from private lenders in the amount of \$0,000,000. These are outstanding securities of the Company.

The company is offering to pay Private Lenders interest rates on funds borrowed by the company that will always be higher than those offered on Bank CDs in (*Clark and Champaign counties, Ohio*). Private Lenders will receive individual offers of interest rates at the time of them receiving this offering, based upon market conditions, interest rates, and inflation. The amount of funds they wish to lend to the company, and other relevant factors.

The company will pay simple interest, calculated annually. Private Lenders wishing to receive monthly payments will receive a lower interest rate than those Private Lenders whose funds accrue until the sale of a property or properties on which their funds were used.

USE OF PROCEEDS

The funds will be used to:

- Invest in residential real estate in and around Waukesha, Walworth and Milwaukee Counties.
- Invest in residential real estate in and around Waukesha, Walworth and Milwaukee Counties.
- Invest in other types of real estate within the State of WI, at its discretion.
- No commissions will be paid to any person or business entity for the sale of these securities, unless and except if they are licensed and/or registered broker-dealers within the State of WI, and the company does not anticipate doing so in any case, and may only be sold by authorized representatives of the company and in compliance with all relevant securities laws and regulations.

FINANCIAL INFORMATION

The following information is in summary form, from financial information on the company as of March 31st, 2005. This does not reflect a full picture of the detailed financial information of the Company and is not intended to do so. This information is presented for your consideration and more detailed financial information is available, upon request. As you may know, under accounting principles, assets and liabilities must equal each other.

(NOTE: ADDITIONAL HISTORIC EARNINGS WILL BE ATTACHED TO THIS OFFERING CIRCULAR AS SOON AS THE COMPANY'S ACCOUNTANT HAS PREPARED THEM. THE COMPANY'S TAX YEAR ENDS MARCH 31ST. THE FINANCIAL STATEMENTS ARE COMPILED STATEMENTS, ATTESTED TO BY THE COMPANY'S PRESIDENT, MR. COWGILL. THIS OFFERING CIRCULAR WILL ALSO INCLUDE ADDITIONAL INFORMATION REGARDING THE COMPANY'S PAST OPERATIONS AND ASSETS)

Past operations of the Company included buying homes, the average sales price of which was under \$75,000. The Company also had a large number of renters who did not purchase the properties they had rented. The Company has over the past year changed a number of its operations, in order to reduce costs and improve profits.

These improvements include:

- The Company no longer purchases homes with an average sales price below \$75,000.
- The Company only purchases homes with an average sales price of \$100,000 or greater.
- The Company has sold a number of previously purchased homes with the lower average sales price.
- The Company may be able to sell more of its previously purchased homes, including three in an area of Springfield, Ohio near where a new hospital is being developed.
- The Company has switched from a rent-to-own business model to land contracts.
- Land contracts have proven to be a better business model, including helping the Company to find and build business relationships with future home purchasers who are more likely to purchase their homes from the Company.

- Land contract customers pay for their own property taxes and insurance, which reduces these costs for the Company.
- The Company offers help to our customers by making available a mortgage liaison associate, who helps customers find and work with mortgage providers, to help customers improve their opportunity to obtain a mortgage.
- The Company has also offered, to a number of its customers without a credit history, the opportunity to build a credit history that should improve their opportunities to obtain a mortgage.
- Since we began purchasing homes in 2005 that normally sell for at least \$100,000 (One Hundred Thousand Dollars), we have increased Integrity's average profit per house to \$23,700.

Total Assets: \$2,594,450

(Including current assets, and property and equipment after accumulated depreciation)

Please note that the Company's largest assets are its property inventory and mortgage receivables.

Total Liabilities and Shareholders Equity: \$2,594,450

(Including current liabilities, long-term liabilities and shareholder's equity)

Please note that the Company's largest liabilities are notes payable to private lenders and mortgages payable to mortgage companies and financial institutions.

LITIGATION

The company is, from time to time, engaged in certain litigations related to the eviction of customers unable, or unwilling, to pay rent, or otherwise abide by their rental agreement with the company. There is no past, present, or anticipated litigation that would have a material effect on the business, financial condition, or operations of the Company.

DISCLAIMERS

THESE DEBT SECURITIES ARE NOT REGISTERED WITH THE SECURITIES EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933 (THE "ACT"). THESE DEBT SECURITIES ARE BEING OFFERED AND SOLD IN RELIANCE ON SECTION 3(A)(11) OF THE SECURITIES ACT OF 1933, AND ITS COUNTERPART RULE 147, SOMETIMES DESCRIBED AS THE "INTRASTATE EXEMPTION", AND UNDER THE LAWS OF THE STATE OF WISCONSIN, AND PURSUANT TO A FILING BY FORM 6(A)(1) WITH THE OHIO DEPARTMENT OF COMMERCE, DIVISION OF SECURITIES, PURSUANT TO R.C. SECTION 1707.06(A)(1) AND ANY OTHER APPLICABLE EXEMPTIONS AND PURSUANT TO EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES LAWS AND REGULATIONS OF (Wisconsin).

ALL PURCHASES MUST BE MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH THE VIEW TO, OR FOR SALE IN CONNECTION WITH, A DISTRIBUTION OF THE SECURITY. ANY RESALE OF A SECURITY SOLD IN RELIANCE OF THIS EXEMPTION WITHIN 12 MONTHS OF THE SALE SHALL BE PRESUMED TO BE WITH A VIEW TO DISTRIBUTION AND NOT FOR INVESTMENT, EXCEPT A RESALE PURSUANT TO A REGISTRATION OR TO AN ACCREDITED INVESTOR PURSUANT TO AN EXEMPTION.

NO PERSON HAS BEEN AUTHORIZED BY THE COMPANY TO GIVE ANY INFORMATION, OR MAKE ANY REPRESENTATIONS OF ANY KIND WHATSOEVER, CONCERNING THE COMPANY OR THIS OFFERING OTHER THAN THOSE CONTAINED IN THIS CIRCULAR, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY. NEITHER THE DELIVERY OF THIS DISCLOSURE DOCUMENT NOR ANY SALES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY DESCRIBED HEREIN SINCE THE DATE HEREOF, OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME AFTER THE DATE IT WAS FIRST DISTRIBUTED. THIS DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE TO ANY PERSON TO WHOM SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL.

FORWARD LOOKING STATEMENTS

THE COMPANY AND ITS REPRESENTATIVES MAY FROM TIME TO TIME MAKE WRITTEN OR ORAL FORWARD-LOOKING STATEMENTS. ONE CAN IDENTIFY THESE FORWARD-LOOKING STATEMENTS BY USE OF WORDS SUCH AS “STRATEGY,” “EXPECTS,” “PLANS,” “ANTICIPATES,” “BELIEVES,” “WILL,” “CONTINUES,” “ESTIMATES,” “INTENDS,” “PROJECTS,” “GOALS,” “TARGETS” AND OTHER WORDS OF SIMILAR MEANING. ONE CAN ALSO IDENTIFY THEM BY THE FACT THAT THEY DO NOT RELATE STRICTLY TO HISTORICAL OR CURRENT FACTS. THESE STATEMENTS ARE BASED ON OUR ASSUMPTIONS AND ESTIMATES AND ARE SUBJECT TO RISKS AND UNCERTAINTIES. IN CONNECTION WITH THE “SAFE HARBOR” PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, THE COMPANY IS HEREBY IDENTIFYING IMPORTANT FACTORS THAT COULD CAUSE ACTUAL RESULTS AND OUTCOMES TO DIFFER MATERIALLY FROM THOSE CONTAINED IN ANY FORWARD-LOOKING STATEMENT MADE BY OR ON BEHALF OF THE COMPANY; ANY SUCH STATEMENT IS QUALIFIED BY REFERENCE TO THE FOLLOWING CAUTIONARY STATEMENTS.

THE COMPANY’S BUSINESS IS SUBJECT TO COMPETITION, CHANGES IN THE MARKETPLACE, AND THE EFFECTS OF CHANGING HOME PRICES AND/OR INTEREST RATES AND LOCAL ECONOMIC CONDITIONS. OUR RESULTS ARE DEPENDENT UPON OUR CONTINUED ABILITY TO BORROW MONEY FROM PRIVATE LENDERS, LOCATE PROPERTIES WORTH PURCHASING, REHABILITATING AND RESELLING OR LEASING TO CUSTOMERS INTERESTED IN PURCHASING SUCH PROPERTIES, ANTICIPATING AND RESPONDING TO CHANGING MARKET CONDITIONS, AND OTHER IMPORTANT FACTORS INCORPORATED INTO THIS SECTION BY REFERENCE, WHICH COULD CAUSE THE COMPANY’S RESULTS TO DIFFER MATERIALLY FROM RESULTS THAT HAVE BEEN OR MAY BE PROJECTED BY OR ON BEHALF OF THE COMPANY. THE COMPANY CAUTIONS THAT THE FOREGOING LIST OF IMPORTANT FACTORS IS NOT EXCLUSIVE.

ANY FORWARD-LOOKING STATEMENTS ARE MADE AS OF THE DATE OF THE DOCUMENT IN WHICH THEY APPEAR. THE COMPANY DOES NOT UNDERTAKE TO UPDATE ANY FORWARD-LOOKING STATEMENT THAT MAY BE MADE FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY.

THIS OFFER IS SUBMITTED ON A CONFIDENTIAL BASIS FOR USE SOLELY IN CONNECTION WITH YOUR CONSIDERATION OF THIS OFFER. THIS DISCLOSURE DOCUMENT MAY NOT BE REPRODUCED IN WHOLE OR IN PART, AND NO ONE, FOR ANY REASON, SHOULD RELY ON ANY REPRODUCTION OF THIS MEMORANDUM.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAS THE COMMISSION OR ANY OTHER AUTHORITY ASSESSED THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS DISCLOSURE DOCUMENT DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED. NO SALE WILL BE CONSUMMATED PURSUANT TO THIS DISCLOSURE DOCUMENT IN ANY STATE OR JURISDICTION OTHER THAN IN THE STATE OF(Wisconsin).

PROMISSORY NOTE

St. Petersburg, Florida

May 9, 2007

FOR VALUE RECEIVED, the undersigned (YOUR CORP NAME HERE), AS TRUSTEE, whose mailing address is (YOUR CORP ADDRESS HERE) MADEIRA BEACH, FL 33708 (herein "Borrower"), promise to pay to the order of (YOUR LENDERS NAME HERE), whose mailing address is (LENDERS ADDRESS HERE) St. Pete Beach, FL 33706 (herein "Lender"), at said offices of Lender or at such other place as the holder of this Promissory Note (this "Note") may from time to time designate in writing, the principal sum of ONE HUNDRED THIRTY SEVEN THOUSAND DOLLARS AND NO/100 (\$137,000.00), or so much thereof as may be advanced, in lawful money of the United States of America, and to pay interest on the principal amount remaining from time to time outstanding from the date hereof until maturity at the rate of TWELVE percent (12 %), per annum. After the maturity or due date or default of this Note, whether by acceleration or otherwise, interest shall accrue on the principal amount remaining unpaid at a rate equivalent to eighteen percent (18%) per annum until paid in full.

If any payment is more than five (5) days late, the undersigned agrees to pay Lender a late charge equal to ten percent (10%) of that payment.

Notwithstanding the foregoing, however, in no event shall the interest charged exceed the maximum rate of interest allowed by applicable law, as amended from time to time. If any payment of interest or in the nature of interest hereunder would cause the foregoing interest rate limitation to be exceeded, then such excess payment shall be credited as a payment of principal unless the undersigned notifies Lender in writing that the undersigned wishes to have such excess sum returned, together with interest at the rate specified in Section 687.04(2) of the Florida Statutes, or any successor statute.

Interest shall be computed on the basis of a year of 360 days and collected on the actual number of days elapsed in a 365-day (or 366-day, as the case may be) year. Regularly scheduled payments made pursuant to the terms of this Note shall be credited to interest and lawful charges then accrued.

Interest payments shall be payable in monthly installments of ONE THOUSAND THREE HUNDRED SEVENTY Dollars and NO/100 (\$ 1,370 .00) each, beginning on JUNE 9th, 2007, and continuing on the same day of each month thereafter until MAY 9th, 2009 at which time the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable in full. If all payments are made in a timely manner, then a nine month extension of this note, with all of its terms and conditions, shall be granted by the Lender.

There will be a ten percent (10%) penalty fee of the real estate taxes and insurance premiums due, if not paid in the current year due. Proof of payment will be made to Lender within ten (10) days of payment due date.

. No partial prepayments are allowed under the terms of this Note.

Each payment by the undersigned of interest hereunder shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debt. If any installment of interest hereunder becomes due and payable on a day other than a business day, the due date thereof shall be extended to the next succeeding business day, and, in the case of interest shall be payable during the extension at the annual rate specified herein for the payment of interest before maturity. If the date for such payment is later than the last day of any month in which it is due, the date for payment shall be the last day of such month.

The payment of this Note, and all renewals, modifications, increases, replacements, or consolidations hereof (with this Note, collectively called "Liabilities"), is secured by a mortgage lien upon, security title to, and a security interest in certain real and personal property in Hillsborough County, Florida, all rents and leases arising therefrom, and all proceeds thereof (the "Collateral"), as described more fully in that

certain Mortgage and Security Agreement of even date herewith (with this Note, any other present or future notes subject to the Agreement, and any other security documents executed pursuant to the Agreement from time to time, collectively called the "Loan Documents").

The undersigned and any endorser, surety, guarantor, or other parties to this Note (all of whom are collectively called "Obligor") jointly and severally agree as follows:

The undersigned shall be in default hereunder upon (a) nonpayment of any interest hereunder for a period of thirty (30) days after the date when due; (b) failure of any Obligor or any other person to perform any agreement hereunder or under any other Loan Document or otherwise a part of this loan transaction; (c) the occurrence of default or an event of default under any Loan Document (d) dissolution, termination of existence, insolvency, or business failure of any Obligor to this Note, appointment of a receiver of any part of the property of any such party, assignment for the benefit of creditors by, or the commencement of any proceedings in bankruptcy or insolvency by or against, any Obligor; (e) the issuing of any attachment of garnishment.. If the lien (with the exception of a second mortgage) , is not discharged within ten (10) days after it has attached and if the lien relates to a claim for the payment of damages or money in excess of FIVE THOUSAND AND NO/100 dollars (\$5,000.00); (f) the taking of possession of any substantial part of the property (over fifty percent (50%) of the property value) of any Obligor at the instance of any governmental authority; (g) falsity in any material respect of, or any material omission in, any representation or statement made to Lender by or on behalf of any Obligor in connection with this Note; (h) the pledge, assignment transfer, or granting of a security interest of any equity in any of the Collateral without the written consent of Lender; or (I) the occurrence of a default or event of default under any present or future indebtedness of the undersigned to Lender, or a default or even of default under any guaranty or security document executed by any person in connection therewith.

Lender shall have all of the rights and remedies of a creditor and, to the extent applicable, of a secured party under all applicable law. Without limiting the generality of the foregoing, upon the occurrence of any default hereunder, Lender may, at its option and without notice or demand, declare the entire unpaid principal and accrued interest accelerated and due and payable at once, together with any and all other Liabilities of any Obligor or any of such Liabilities selected by Lender. The undersigned hereby personally guarantees any and all monies or costs due or incurred regarding this note and mortgage. The undersigned also agrees that this note and mortgage are not dischargeable by bankruptcy.

No delay or omission on the part of Lender in exercising any right hereunder shall operate as a waiver of such right or of any other rights under this Note. Presentment, demand, notice of nonpayment, notice of protest, protest, notice of dishonor and all other notices are hereby waived by each and every Obligor. All parties liable for the payment hereof, jointly and severally, promise and agree to pay all costs of collection and reasonable attorneys' fees, including reasonable attorneys' fees of any suit, out of court, in trial, on appeal, in bankruptcy proceedings or otherwise, incurred or paid by Lender in enforcing this Note or preserving any right or interest of Lender hereunder.

Each Obligor hereby expressly consents to any and all extensions, modifications and renewals, in whole or in part, including but not limited to changes in payment schedules and interest rates, and all delays in time of payment or other performance which Lender may grant or permit at any time and from time to time without limitation and without any notice to or further consent of any Obligor. Each Obligor shall also be bound by each of the foregoing terms deemed to be a part of this Note, without the requirement that Lender first proceed against any security interest otherwise held by Lender.

IN WITNESS WHEREOF, the undersigned has caused this Note to be executed as of the day and year first above written.

Personally and as managing member

PROMISSORY NOTE

_____ City _____, _____ State _____

_____ Date _____

FOR VALUE RECEIVED, the undersigned _____(YOUR Name or CORP NAME HERE), AS TRUSTE , whose mailing address is _____ (YOUR CORP ADDRESS HERE) (herein "Borrower"), promise to pay to the order of _____ (YOUR LENDERS NAME HERE), whose mailing address is _____ (LENDERS ADDRESS HERE) (herein "Lender"), at said offices of Lender or at such other place as the holder of this Promissory Note (this "Note") may from time to time designate in writing, the principal sum of _____ DOLLARS AND NO/100 (\$ _____), or so much thereof as may be advanced, in lawful money of the United States of America, and to pay interest on the principal amount remaining from time to time outstanding from the date hereof until maturity at the rate of _____ percent (_____ %), per annum. After the maturity or due date or default of this Note, whether by acceleration or otherwise, interest shall accrue on the principal amount remaining unpaid at a rate equivalent to twelve percent (12%) per annum until paid in full.

If any payment is more than five (5) days late, the undersigned agrees to pay Lender a late charge equal to ten percent (10%) of that payment.

Notwithstanding the foregoing, however, in no event shall the interest charged exceed the maximum rate of interest allowed by applicable law, as amended from time to time. If any payment of interest or in the nature of interest hereunder would cause the foregoing interest rate limitation to be exceeded, then such excess payment shall be credited as a payment of principal unless the undersigned notifies Lender in writing that the undersigned wishes to have such excess sum returned, together with interest at the rate specified in Section _____ of the _____ (State) Statutes, or any successor statute.

Interest shall be computed on the basis of a year of 360 days and collected on the actual number of days elapsed in a 365-day (or 366-day, as the case may be) year. Regularly scheduled payments made pursuant to the terms of this Note shall be credited to interest and lawful charges then accrued.

Interest payments shall be payable in monthly installments of _____ Dollars and NO/100 (\$ _____) each, beginning on _____, 20____, and continuing on the same day of each month thereafter until _____, 20____ at which time the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable in full. If all payments are made in a timely manner, then a nine month extension of this note, with all of its terms and conditions, shall be granted by the Lender.

There will be a ten percent (10%) penalty fee of the real estate taxes and insurance premiums due, if not paid in the current year due. Proof of payment will be made to Lender within ten (10) days of payment due date.

. No partial prepayments are allowed under the terms of this Note.

Each payment by the undersigned of interest hereunder shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debt. If any installment of interest hereunder becomes due and payable on a day other than a business day, the due date thereof shall be extended to the next succeeding business day, and, in the case of interest shall be payable during the extension at the annual rate specified herein for the payment of interest before maturity. If the date for such payment is later than the last day of any month in which it is due, the date for payment shall be the last day of such month.

The payment of this Note, and all renewals, modifications, increases, replacements, or consolidations hereof (with this Note, collectively called "Liabilities"), is secured by a mortgage lien upon, security title

to, and a security interest in certain real and personal property in Hillsborough County, Florida, all rents and leases arising therefrom, and all proceeds thereof (the "Collateral"), as described more fully in that certain Mortgage and Security Agreement of even date herewith (with this Note, any other present or future notes subject to the Agreement, and any other security documents executed pursuant to the Agreement from time to time, collectively called the "Loan Documents").

The undersigned and any endorser, surety, guarantor, or other parties to this Note (all of whom are collectively called "Obligor") jointly and severally agree as follows:

The undersigned shall be in default hereunder upon (a) nonpayment of any interest hereunder for a period of thirty (30) days after the date when due; (b) failure of any Obligor or any other person to perform any agreement hereunder or under any other Loan Document or otherwise a part of this loan transaction; (c) the occurrence of default or an event of default under any Loan Document (d) dissolution, termination of existence, insolvency, or business failure of any Obligor to this Note, appointment of a receiver of any part of the property of any such party, assignment for the benefit of creditors by, or the commencement of any proceedings in bankruptcy or insolvency by or against, any Obligor; (e) the issuing of any attachment of garnishment.. If the lien (with the exception of a second mortgage) , is not discharged within ten (10) days after it has attached and if the lien relates to a claim for the payment of damages or money in excess of FIVE THOUSAND AND NO/100 dollars (\$5,000.00); (f) the taking of possession of any substantial part of the property (over fifty percent (50%) of the property value) of any Obligor at the instance of any governmental authority; (g) falsity in any material respect of, or any material omission in, any representation or statement made to Lender by or on behalf of any Obligor in connection with this Note; (h) the pledge, assignment transfer, or granting of a security interest of any equity in any of the Collateral without the written consent of Lender; or (I) the occurrence of a default or event of default under any present or future indebtedness of the undersigned to Lender, or a default or even of default under any guaranty or security document executed by any person in connection therewith.

Lender shall have all of the rights and remedies of a creditor and, to the extent applicable, of a secured party under all applicable law. Without limiting the generality of the foregoing, upon the occurrence of any default hereunder, Lender may, at its option and without notice or demand, declare the entire unpaid principal and accrued interest accelerated and due and payable at once, together with any and all other Liabilities of any Obligor or any of such Liabilities selected by Lender. The undersigned hereby personally guarantees any and all monies or costs due or incurred regarding this note and mortgage. The undersigned also agrees that this note and mortgage are not dischargeable by bankruptcy.

No delay or omission on the part of Lender in exercising any right hereunder shall operate as a waiver of such right or of any other rights under this Note. Presentment, demand, notice of nonpayment, notice of protest, protest, notice of dishonor and all other notices are hereby waived by each and every Obligor. All parties liable for the payment hereof, jointly and severally, promise and agree to pay all costs of collection and reasonable attorneys' fees, including reasonable attorneys' fees of any suit, out of court, in trial, on appeal, in bankruptcy proceedings or otherwise, incurred or paid by Lender in enforcing this Note or preserving any right or interest of Lender hereunder.

Each Obligor hereby expressly consents to any and all extensions, modifications and renewals, in whole or in part, including but not limited to changes in payment schedules and interest rates, and all delays in time of payment or other performance which Lender may grant or permit at any time and from time to time without limitation and without any notice to or further consent of any Obligor. Each Obligor shall also be bound by each of the foregoing terms deemed to be a part of this Note, without the requirement that Lender first proceed against any security interest otherwise held by Lender.

IN WITNESS WHEREOF, the undersigned has caused this Note to be executed as of the day and year first above written.

Personally and as managing member

THIS IS A BALLOON MORTGAGE AND THE FINAL PRINCIPAL PAYMENT OR THE PRINCIPAL BALANCE DUE UPON MATURITY IS \$ 137,000.00, TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY THE MORTGAGEE UNDER THE TERMS OF THIS MORTGAGE.

MORTGAGE AND SECURITY AGREEMENT

This Mortgage is made this 9th day of MAY, 2007, between Mortgagor, (YOUR CORPNAME, A TRUSTEE,) (herein "Borrower"), and Mortgagee, (YOUR LENDERS NAME,) whose address is 123 MAIN ST , St. Pete Beach, Florida 33706. (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of ONE HUNDRED THIRTY SEVEN THOUSAND DOLLARS AND NO/100 (\$137,000.00), which indebtedness is evidenced by Borrower's note executed simultaneously herewith, a copy of which is attached hereto as Exhibit "A" and is incorporated herein by reference (the Note), providing for monthly installments of principal and/or interest, with the balance of the indebtedness, if not sooner paid, due and payable on MAY 9TH 2009.

NOW, THEREFORE, TO SECURE the repayment of the indebtedness as evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 20 hereof (herein "Future Advances"). Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Hillsborough, State of Florida:

Which has the address of (PROPERTY ADDRESS HERE VALRICO, Fla. 33594)

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, right of ways, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights and water stock and all fixtures now or hereafter attached thereto, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

BORROWER COVENANTS that Borrower is the lawful owner of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, that the Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exception to coverage in any title insurance policy insuring Lender's interest in the Property.

BORROWER AND LENDER COVENANT AND AGREE AS FOLLOWS:

1. Payment of Principal and/or Interest. Borrower shall promptly pay all indebtedness and perform all obligations secured hereby promptly when due.
2. Application of Payments. Unless applicable law provides otherwise all payments received by Lender under the Note shall be applied by Lender to interest and the principal payable on the Note.

3. Taxes; Charges; Liens. Borrower shall pay all taxes, assessments, liens, charges, fines and other impositions attributable to the Property which may attain a priority over this Mortgage, by Borrower making payment before the same become delinquent, directly to the payee thereof. Borrower shall, without notice or demand from Lender, promptly furnish to Lender receipts evidencing such payments. A ten percent (10%) penalty of the tax amount due will additionally be due within 10 days of the delinquency payable directly to the Lender. Borrower shall promptly discharge any lien which has priority over this Mortgage, provided that Borrower shall not be required to discharge any such lien so long as Borrower 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.

4. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," flood, and against such other hazards as Lender may require and in amount equal to their highest insurable value.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid by Borrower when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgagee clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof and Borrower shall without notice or demand from Lender, promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If the restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage with excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the subject Property, or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in Paragraph 1 or change the amount of such installments. If, under Paragraph 17 hereof, the Property is acquired by Lender, all right, title and interest of Borrower 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 sums secured by this Mortgage immediately prior to such sale or acquisition.

5. Preservation and Maintenance of the Property. Borrower shall keep the Property in good repair and shall not permit, commit or suffer any waste, impairment or deterioration of the Property.

6. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced 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, insolvency, property taxes, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, the Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as Lender reasonably deems necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereupon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the highest rate permissible under applicable law. Nothing contained in the Paragraph 6 shall require Lender to incur any expense or take any action hereunder.

7. Inspection. Lender and Lender's representative may enter upon and inspect the Property, provided that Lender shall give Borrower notice at the time of or prior to any such inspection specifying reasonable cause therefor.

8. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property or any part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property, immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in Paragraph 1 above or change the amount of such installments.

9. Borrower 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 shall not operate to release in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Borrower agrees that this mortgage and note are NOT dischargeable by bankruptcy.

10. No Waiver. No delay or forbearance by Lender in exercising any option right or remedy hereunder or otherwise afforded by applicable law shall be a waiver of or preclude the exercise thereof. No waiver by Lender of any provision, breach or default shall be a waiver of any other provision or a consent to any subsequent breach or default. 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.

11. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other rights or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

12. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the Paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

13. Notice. Except for any notice required under applicable law to be given to another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified

mail, addressed to Borrower, at the Property Address or at such other address as Borrower may designate by notice to Lender, as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein.

14. **Governing Law; Severability.** This Mortgage shall be governed by the laws of the State of Florida. 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 the Mortgage or the Note which can be given effect without the conflicting provision and to this end the provisions of the Mortgage and the Note are declared to be severable.

15. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation thereof.

16. **Transfer of Property; Assumption.** If all or any part of the Property or any interest therein is sold or transferred by Borrower or if any beneficial interest in Borrower is sold or transferred by Borrower, without Lender's prior written consent, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. However, this option shall not be exercised by Lender if exercised is prohibited by federal law as of the date of this Mortgage.

If Lender exercises its option to accelerate, Lender shall give Borrower notice of acceleration in accordance with Paragraph 13 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by Paragraph 17 hereof.

17. **Acceleration; Remedies.** Upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender, at Lender's option, may declare all sums secured by this Mortgage to be immediately due and payable and may foreclose this Mortgage by judicial proceeding.

18. **Prior Liens.** If the Property, or any part thereof, is now or hereafter encumbered by any mortgage or other lien having priority over this Mortgage then, at the option of Lender, any default under such prior mortgage or other lien shall constitute a default under this Mortgage. Furthermore, any modification of or future advance under any prior mortgage or other lien without Lender's prior written consent shall, at the option of Lender, also constitute a default hereunder.

19. **Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under Paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Under acceleration under Paragraph 17 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

20. **Future Advances.** Upon request by Borrower, Lender, at Lender's option may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said 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 three (3) times the original amount of the Note.

21. **Release or Satisfaction.** Upon payment of all sums secured by this Mortgage, Lender shall release the Mortgage without charges to Borrower. Borrower shall pay all costs or recordation, if any.

22. Enforcement and Collection Expenses. Borrower shall pay all expenses, including attorneys' fees, costs of documentary evidence, abstracts and title reports, reasonably incurred by Lender with respect to collection of the indebtedness secured hereby or enforcement of Lender's rights hereunder (including foreclosure or other litigation expenses and also including such costs and attorneys' fees as may be incurred on appeal or in bankruptcy), arising out of any default by Mortgagor, and the amount thereof shall become part of the indebtedness secured hereby, shall, at the option of Lender, become immediately due and payable, and shall bear interest at the highest lawful rate specified in any note evidencing any indebtedness secured hereby.

23. Hazardous Substances. Borrower shall not cause or permit the presence use, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything effecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to Borrower's normal business uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

Borrower warrants and represents to Lender that the Property is not and has never been used to handle, treat, store or dispose of any Hazardous Substances and that the Property and Borrower are currently in compliance with all applicable Environmental Laws. Borrower agrees to indemnify and hold Lender harmless from and against any and all damages, penalties, fines, claims, suits, liabilities, costs, judgements and expenses, including attorneys' fees, consultants' fees and expert's fees of every kind, arising out of or resulting from, or relating to any violation of any Environmental Law with respect to any condition that exist on the Property.

As used in this Paragraph 23, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in Paragraph 23, "Environmental Law" means federal laws and lose of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

24. PERSONAL GUARANTEE (YOUR NAME HERE), as MANAGING MEMBER OF (YOUR CORP NAME HERE), hereby personally guarantees ANY and ALL monies due or incurred regarding this mortgage agreement and promissory note.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

THIS IS A BALLOON MORTGAGE AND THE FINAL PRINCIPAL PAYMENT OR THE PRINCIPAL BALANCE DUE UPON MATURITY IS \$137,000.00, TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY THE MORTGAGEE UNDER THE TERMS OF THIS MORTGAGE.

Signed, sealed and delivered
In the presence of:

Witness

Witness Personally and Managing Member

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing Mortgage was acknowledged before me this ____ th day of _____, 200 ____ .
____, who ____ is, is not ____ personally know to me, produced a valid drivers
license as identification and did not take an oath.

NOTARY SEAL:

Notary Signature

Print Name

Sample

THIS IS A BALLOON MORTGAGE AND THE FINAL PRINCIPAL PAYMENT OR THE PRINCIPAL BALANCE DUE UPON MATURITY IS \$ _____, TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY THE MORTGAGEE UNDER THE TERMS OF THIS MORTGAGE.

MORTGAGE AND SECURITY AGREEMENT

This Mortgage is made this ____ day of _____, 20__, between Mortgagor, _____ (YOUR NAME OR CORP NAME, AS TRUSTEE,) (herein "Borrower"), and Mortgagee, (YOUR LENDERS NAME,) whose address is _____. (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of _____ DOLLARS AND NO/100 (\$_____), which indebtedness is evidenced by Borrower's note executed simultaneously herewith, a copy of which is attached hereto as Exhibit "A" and is incorporated herein by reference (the Note), providing for monthly installments of principal and/or interest, with the balance of the indebtedness, if not sooner paid, due and payable on _____ 20__.

NOW, THEREFORE, TO SECURE the repayment of the indebtedness as evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower herein contained, and the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 20 hereof (herein "Future Advances"). Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of _____, State of _____:

Which has the address of (_____)

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, right of ways, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights and water stock and all fixtures now or hereafter attached thereto, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

BORROWER COVENANTS that Borrower is the lawful owner of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, that the Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exception to coverage in any title insurance policy insuring Lender's interest in the Property.

BORROWER AND LENDER COVENANT AND AGREE AS FOLLOWS:

- 1. Payment of Principal and/or Interest. Borrower shall promptly pay all indebtedness and perform all obligations secured hereby promptly when due.
- 2. Application of Payments. Unless applicable law provides otherwise all payments received by Lender under the Note shall be applied by Lender to interest and the principal payable on the Note.

3. Taxes; Charges; Liens. Borrower shall pay all taxes, assessments, liens, charges, fines and other impositions attributable to the Property which may attain a priority over this Mortgage, by Borrower making payment before the same become delinquent, directly to the payee thereof. Borrower shall, without notice or demand from Lender, promptly furnish to Lender receipts evidencing such payments. A ten percent (10%) penalty of the tax amount due will additionally be due within 10 days of the delinquency payable directly to the Lender. Borrower shall promptly discharge any lien which has priority over this Mortgage, provided that Borrower shall not be required to discharge any such lien so long as Borrower 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.

4. Hazard or Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," flood, and against such other hazards as Lender may require and in amount equal to their highest insurable value.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid by Borrower when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgagee clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof and Borrower shall without notice or demand from Lender, promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If the restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage with excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the subject Property, or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in Paragraph 1 or change the amount of such installments. If, under Paragraph 17 hereof, the Property is acquired by Lender, all right, title and interest of Borrower 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 sums secured by this Mortgage immediately prior to such sale or acquisition.

5. Preservation and Maintenance of the Property. Borrower shall keep the Property in good repair and shall not permit, commit or suffer any waste, impairment or deterioration of the Property.

6. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced 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, insolvency, property taxes, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, the Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such action as Lender reasonably deems necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereupon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the highest rate permissible under applicable law. Nothing contained in the Paragraph 6 shall require Lender to incur any expense or take any action hereunder.

7. Inspection. Lender and Lender's representative may enter upon and inspect the Property, provided that Lender shall give Borrower notice at the time of or prior to any such inspection specifying reasonable cause therefor.

8. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property or any part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property, immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in Paragraph 1 above or change the amount of such installments.

9. Borrower 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 shall not operate to release in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Borrower agrees that this mortgage and note are NOT dischargeable by bankruptcy.

10. No Waiver. No delay or forbearance by Lender in exercising any option right or remedy hereunder or otherwise afforded by applicable law shall be a waiver of or preclude the exercise thereof. No waiver by Lender of any provision, breach or default shall be a waiver of any other provision or a consent to any subsequent breach or default. 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.

11. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other rights or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

12. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the Paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

13. Notice. Except for any notice required under applicable law to be given to another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified

mail, addressed to Borrower, at the Property Address or at such other address as Borrower may designate by notice to Lender, as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein.

14. **Governing Law; Severability.** This Mortgage shall be governed by the laws of the State of Florida. 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 the Mortgage or the Note which can be given effect without the conflicting provision and to this end the provisions of the Mortgage and the Note are declared to be severable.

15. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation thereof.

16. **Transfer of Property; Assumption.** If all or any part of the Property or any interest therein is sold or transferred by Borrower or if any beneficial interest in Borrower is sold or transferred by Borrower, without Lender's prior written consent, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. However, this option shall not be exercised by Lender if exercised is prohibited by federal law as of the date of this Mortgage.

If Lender exercises its option to accelerate, Lender shall give Borrower notice of acceleration in accordance with Paragraph 13 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by Paragraph 17 hereof.

17. **Acceleration; Remedies.** Upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender, at Lender's option, may declare all sums secured by this Mortgage to be immediately due and payable and may foreclose this Mortgage by judicial proceeding.

18. **Prior Liens.** If the Property, or any part thereof, is now or hereafter encumbered by any mortgage or other lien having priority over this Mortgage then, at the option of Lender, any default under such prior mortgage or other lien shall constitute a default under this Mortgage. Furthermore, any modification of or future advance under any prior mortgage or other lien without Lender's prior written consent shall, at the option of Lender, also constitute a default hereunder.

19. **Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under Paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Under acceleration under Paragraph 17 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

20. **Future Advances.** Upon request by Borrower, Lender, at Lender's option may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said 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 three (3) times the original amount of the Note.

21. **Release or Satisfaction.** Upon payment of all sums secured by this Mortgage, Lender shall release the Mortgage without changes to Borrower. Borrower shall pay all costs or recordation, if any.

22. Enforcement and Collection Expenses. Borrower shall pay all expenses, including attorneys' fees, costs of documentary evidence, abstracts and title reports, reasonably incurred by Lender with respect to collection of the indebtedness secured hereby or enforcement of Lender's rights hereunder (including foreclosure or other litigation expenses and also including such costs and attorneys' fees as may be incurred on appeal or in bankruptcy), arising out of any default by Mortgagor, and the amount thereof shall become part of the indebtedness secured hereby, shall, at the option of Lender, become immediately due and payable, and shall bear interest at the highest lawful rate specified in any note evidencing any indebtedness secured hereby.

23. Hazardous Substances. Borrower shall not cause or permit the presence use, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything effecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to Borrower's normal business uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

Borrower warrants and represents to Lender that the Property is not and has never been used to handle, treat, store or dispose of any Hazardous Substances and that the Property and Borrower are currently in compliance with all applicable Environmental Laws. Borrower agrees to indemnify and hold Lender harmless from and against any and all damages, penalties, fines, claims, suits, liabilities, costs, judgements and expenses, including attorneys' fees, consultants' fees and expert's fees of every kind, arising out of or resulting from, or relating to any violation of any Environmental Law with respect to any condition that exist on the Property.

As used in this Paragraph 23, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in Paragraph 23, "Environmental Law" means federal laws and lose of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

24. PERSONAL GUARANTEE(_____) , as _____
OF (_____), hereby personally guarantees ANY and ALL monies due or incurred regarding this mortgage agreement and promissory note.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

THIS IS A BALLOON MORTGAGE AND THE FINAL PRINCIPAL PAYMENT OR THE PRINCIPAL BALANCE DUE UPON MATURITY IS \$_____, TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY THE MORTGAGEE UNDER THE TERMS OF THIS MORTGAGE.

Signed, sealed and delivered
In the presence of:

Witness

Witness Personally and Managing Member

STATE OF _____
COUNTY OF _____

The foregoing Mortgage was acknowledged before me this ____ th day of _____, 200 ____ .
_____, who ____ is _____, is not ____ personally know to me, produced a valid drivers license as
identification and did not take an oath.

NOTARY SEAL:

Notary Signature

Print Name