

**LEXINGTON FAYETTE URBAN COUNTY GOVERNMENT
AFFORDABLE HOUSING FUND
NOTE AND MORTGAGE MODIFICATION AGREEMENT**

This AGREEMENT (“Second Modification”), made and effective 20th day of January 2018, by and between **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government created pursuant to KRS 67A, whose principal address is 200 East Main Street, Lexington, Kentucky 40507 (hereinafter referred to as “LFUCG”) and **EMERGE DEVELOPMENT, LLC**, a Kentucky limited liability company, whose address is 941 National Avenue, Suite 120, Lexington, Kentucky 40502 (hereinafter referred to as the “Mortgagor”), which designation shall include the respective successors and assigns, in interest of the parties hereto.

W I T N E S S E T H:

WHEREAS, the Mortgagor has executed and delivered to LFUCG a Forgivable Loan Promissory Note (“Note”) dated November 19, 2015;

WHEREAS, the Note was secured by a Forgivable Loan Mortgage of even date therewith and recorded on November 25, 2015 in Mortgage Book 8431 Page 443, in the records of the Fayette County Clerk’s Office, Lexington, Fayette County, Kentucky, said Mortgage covering real estate situated in the State of Kentucky, County of Fayette, and as more fully and completely described in said Mortgage, and the terms of payment of principal and interest as presently recited in said Note and Mortgage and covered by this instrument, as fully and to the same extent as though herein set out; and

WHEREAS, the Mortgagor has executed and delivered to LFUCG a Note and Mortgage Modification Agreement (“First Modification”) dated April 28, 2017, with the First Modification being recorded on May 3, 2017 in Mortgage Book 8827 Page 647, in the records of the Fayette County Clerk’s Office, Lexington, Fayette County, Kentucky, said Mortgage covering real estate situated in the State of Kentucky, County of Fayette, and as more fully and completely described in said First Modification, and the terms of payment of principal and interest as presently recited in said First Modification and covered by this instrument, as fully and to the same extent as though herein set out;

WHEREAS, LFUCG and the Mortgagor mutually desire to amend said terms of the First Modification;

NOW THEREFORE, in consideration of the mutual promises and agreements exchanged, the parties agree to amend said First Modification as follows:

1. This Mortgage covers real estate situated in the State of Kentucky, Fayette County, and more fully, completely, and correctly described in Exhibit A.
2. All other terms and conditions of the Note, Mortgage, and First Modification, except as modified herein, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered into this Second Modification on the day and year first above written.

EMERGE DEVELOPMENT, LLC

By: Bj- CH
Title: CFO

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF FAYETTE)

Subscribed, sworn to and acknowledged before me this 29th day of January 2018 by Ben Clemons, as Partner of Emerge Development, LLC, a Kentucky limited liability company, for and on behalf of said company.

My commission expires: 11/29/2019

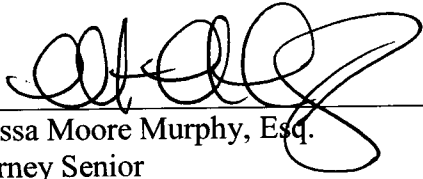
Wade T. Cole #545656
Notary Public

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

By: Jim Gray
Jim Gray, Mayor

ATTEST:
Deputy
Clerk, Urban County Council

THIS INSTRUMENT WAS PREPARED BY:

A handwritten signature in black ink, appearing to read 'Melissa Moore Murphy', written over a horizontal line.

Melissa Moore Murphy, Esq.

Attorney Senior

Lexington-Fayette Urban County Government

200 East Main Street

Lexington, Kentucky 40507

(859) 258-3500

EXHIBIT "A"

A certain tract or parcel lying in Lexington, Fayette County, Kentucky on the North corner of Fifth and Smith Streets, fronting on Fifth Street thirty (30) feet and extending back in a Northerly direction One Hundred Seven (107) feet on Smith Street; said property being designated as 531-533 West Fifth Street and 509 Smith Street (erroneously referred to as 531-535 West Fifth Street and 509 Smith Street); and

Being the same property conveyed to Emerge Development, LLC, A Kentucky Limited Liability Company from Warren D. McIntyre Revocable Trust and Donna D. McIntyre Revocable Trust by deed dated April 24, 2015, of record in Deed Book 3311, Page 359, in the Fayette County Clerk's Office.