

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2007 JAN 29 AM 8:58

MICHAEL A. BROWN
RECORDER

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

06-2007H1000084

A. NAME & PHONE OF CONTACT AT FILER [optional]
Joshua D. Reta (949) 276-6213

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Point Center Financial, Inc.
 Att: Loan Servicing
 30900 Rancho Viejo Road, Suite #100
 San Juan Capistrano, CA 92675
 Loan #206125

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME
DIAMOND VEIL DEVELOPMENT, INC., a Indiana corporation

OR

1b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

1c. MAILING ADDRESS
8838 Hamlin Place CITY **Crown Point** STATE **IN** POSTAL CODE **46307** COUNTRY **USA**

1d. TAX I.D.#: SSN OR EIN **35-1868442** ADD'L INFO RE ORGANIZATION DEBTOR 1e. TYPE OF ORGANIZATION **Corporation** 1f. JURISDICTION OF ORGANIZATION **Indiana** 1g. ORGANIZATIONAL I.D.#, if any **1992050169** None

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

2c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

2d. TAX I.D.#: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 1e. TYPE OF ORGANIZATION 1f. JURISDICTION OF ORGANIZATION 1g. ORGANIZATIONAL I.D.#, if any None

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME
Point Center Financial, Inc., a California corporation as designated agent for Lender(s)

OR

3b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

3c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
30900 Rancho Viejo Road, Suite #100 **San Juan Capistrano** **CA** **92675** **USA**

4. This FINANCING STATEMENT covers the following collateral:
See Attached:

Exhibit "A" - Financing Statement Rider with Signature Page
Exhibit "B" - Legal Description

5. ALTERNATIVE DESIGNATION (if applicable): LESSOR/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER AG. LIEN NON-UCC FILING

6. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA

DEBTOR:
DIAMOND VEIL DEVELOPMENT, INC., a Indiana corporation

SECURED PARTY:
Point Center Financial, Inc., a California corporation,
as Designated Agent for (Lenders) **2007 000084**

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EXHIBIT "A"

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TO UCC-1 FINANCING STATEMENT

All of Debtor's right, title, and interest now owned or later acquired in the following property ("Collateral"):

(a) All of Debtor's right, title, and interest now owned or later acquired in the following Property, now or later affixed to, located on, or at the Property, or used in connection with the operation of the Property or the Improvements and all the proceeds of the Property:

(i) the Personalty;

(ii) the Fixtures;

(iii) All machinery, furniture, equipment, fixtures, material, appliances and other articles of personal property of every kind owned by Debtor, or in which Debtor has an interest, located upon the Land, and appurtenances thereto, and usable for the generation and distribution of air, water, heat, electricity, light, fuel or refrigeration, or for ventilating or air conditioning purposes, or for sanitary or drainage purposes, or for the exclusion of vermin or insects, or for removal of dust, refuse or garbage, and such machinery, furniture, equipment, fixtures and other articles of personal property which consist of all appliances, awnings, window shades, drapery rods, brackets, screens, floor coverings, incinerators and carpeting used in the operation of the Land and Improvements (and all other personal property, either similar or dissimilar to the foregoing usable in the operation of the Land and Improvements), together with all replacements and substitutions therefore, now owned or hereafter acquired by Debtor and located in or on said Land and Improvements, together with all materials intended for construction, reconstruction, alteration, and repair of the Improvements (hereinafter collectively called the "Equipment"), together with all condemnation awards and rights under insurance policies and Leases described below pertaining to said Land or the Improvements now or hereafter located thereon;

(iv) All awards or payments, including interest, which may be made as to the Property, whether from the exercise of the right of eminent domain, constructive taking or for any other injury to or decrease in the value of the Property (collectively, "Awards");

(v) All leases and other agreements affecting the use, enjoyment or occupancy of the Property, (the "Leases"), if any, and all rents and security deposits payable under the Leases, and other deposits, issues and profits from the Property (the "Rents");

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(vi) All Policies (as defined herein) and their proceeds thereof and any unearned premiums on any insurance policies covering the Property, including, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Property, whether such insurance is or is not required by this Mortgage;

(vii) All utility deposits made to obtain or maintain utility services to the Land or the Improvements;

(viii) Any amounts in any escrow fund for the purposes of payment of taxes, insurance premiums or other Impositions (as defined in paragraph 4 below) as to the Property;

(ix) All building materials and supplies now or hereafter located upon the Property and all architectural renderings, drawings, specifications now or hereafter relating to the Property;

(x) All contracts and agreements now or hereafter existing relating to the design, construction or improvement of the Property;

(xi) All deposits given to utilities and governmental authorities pertaining to the Property;

(xii) All present and future governmental, utility and homeowner association approvals, permits and entitlements pertaining to the Property; and

(xiii) The products and proceeds of the property described in the above (i) through (xii) inclusive.

(b) All of Debtor's right, title, and interest in all agreements, permits, and contracts pertaining to the use or operation of the Property, including, but not limited to, environmental impact reports; negative declarations; map approvals; grading and construction permits; conditional use permits; applications for all permits; management agreements; all development rights in the Property that Debtor may now or later acquire (including, without limitation, development rights arising in connection with any action by a governmental entity, including, by way of illustration, but not of limitation, inducement resolutions of county, municipal, or other governmental entities); agreements with contractors, suppliers, and construction managers; and agreements pertaining to the transfer of development rights or permitted floor area under applicable laws or ordinances (collectively, "Agreements"), as they may be amended or otherwise modified from time to time, including, without limitation, the right of Debtor to terminate any of the Agreements, to perform under them, and to compel performance and otherwise exercise all remedies

under them, together with the immediate and continuing right to collect and receive all sums that may become due to Debtor, or which Debtor may now or later become entitled to demand or claim, arising or issuing out of the Agreements, including, without limitation, claims of Debtor for damages arising out of breach of or default under any of the Agreements and all rights of Debtor to receive proceeds of any insurance, fire, burglary, warranty, or guaranty with respect to any of the Agreements. However, so long as no Event of Default has occurred and is continuing, Debtor will have the right under a license granted to collect and retain all sums that may become payable to Debtor under the Agreements.

Definitions

As used in this document, the following terms have the following meanings:

Fixtures: All fixtures located on or within the Improvements or now or later installed in or used in connection with any of the Improvements, including, but not limited to, any partitions, screens, awnings, motors, engines, boilers, furnaces, pipes, plumbing, elevators, cleaning and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, heating, ventilating, air conditioning, and air cooling equipment, built-in refrigerated rooms, and gas and electric machinery, appurtenances, and equipment, whether permanently affixed to the Land or the Improvements.

Improvements: All buildings, improvements, and appurtenances on the Land, and all improvements, additions, and replacements, and other buildings and improvements, at any time constructed or placed on the Land or any part of it.

Land: The Land described in attached Exhibit B, made a part of this document.

Mortgage: Mortgage, Security Agreement, and Fixture Filing with Assignment of Rents and Agreements made by Debtor, as Debtor, to and for the benefit of Secured Party, as secured party.

Personalty: Debtor's interest in all accounts, contract rights, and general intangibles (specifically including any insurance proceeds and condemnation awards) arising out of or incident to the ownership, development, or operation of the Property, and all furniture, furnishings, equipment, machinery, construction materials and supplies, leasehold interests in personal property, and all other personal property (other than Fixtures) now or later located on the Property, together with all present and future attachments, accessions, replacements, substitutions, and additions, and the cash and noncash proceeds.

Property: The Land, the Improvements, the Fixtures, and the Personalty, together with all easements, rights-of-way, strips of land, streets, alleys, passages, sewer rights, mineral rights, water rights and powers, and all estates, rights, titles, interests, privileges, tenements, hereditaments and appurtenances of any nature, in any way belonging, relating or pertaining to the Land and the reversion and reversions, remainder and remainders, and all land laying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land to the center line thereof and all the estates, rights, titles, interests, dower and rights of

dower, courtesy and rights of courtesy, property, possession, claim and demand, both in law and in equity, of Debtor in the Land and every part thereof and all appurtenances thereto.

DEBTOR:

DIAMOND VEIL DEVELOPMENT, INC., a Indiana corporation

By: _____

Robert Stiglich, ~~President~~ Secretary

SECURED PARTY:

Point Center Financial, Inc., a California corporation
as Designated Agent for Lenders

By: _____

Dan J. Harkey, President

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DEBTOR:

DIAMOND VEIL DEVELOPMENT, INC., a Indiana corporation

By: _____

Robert Stiglich, President/Secretary

SECURED PARTY:

Point Center Financial, Inc., a California corporation
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By: _____

Dan J. Harkey, President

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EXHIBIT "B"

(Legal Description)

Real property in the County of Lake, State of Indiana, described as follows:

PARCEL 1:

Part of the Northwest 1/4 of the Southeast 1/4 of Section 29, Township 35 North, Range 8 West of the 2nd Principal Meridian and being more particularly described as follows:

Commencing at the intersection of the West line of said Northwest 1/4 of the Southeast 1/4 of Section 29 and the North line of said Northwest 1/4 of the Southeast 1/4 of Section 29; thence South 00 degrees 36 minutes 05 Seconds East, along the West line of the Northwest 1/4 of the Southeast 1/4 of Section 29, a distance of 727.78 feet to the point of beginning; thence North 89 degrees 45 minutes 32 seconds East, a distance of 1,330.54 feet, to the East line of the Northwest 1/4 of the said Southeast 1/4; thence South 00 degrees 35 minutes 02 seconds East, along said East line, a distance of 595.01 feet to the intersection of said East line with the South line of the Northwest 1/4 of the Southeast 1/4 of said Section 29; thence South 89 degrees 45 minutes 32 seconds West along said South line, a distance of 1,330.38 feet to the intersection of said South line with the West line of the Northwest 1/4 of the Southeast 1/4 of said Section 29; thence North 00 degrees 36 minutes 05 seconds West, along said West line, a distance of 595.01 feet to the point of beginning, all in Ross Township, Lake County, Indiana, EXCEPTING THEREFROM that part conveyed to the State of Indiana by Warranty Deed dated October 22, 1998 and recorded January 22, 1999 as Document No. 99005360.

PARCEL 2:

Part of the Northwest 1/4 of the Southeast 1/4 of Section 29, Township 35 North, Range 8 West of the Second Principal Meridian, in Lake County, Indiana and being more particularly described as follows:

Beginning at the intersection of the West line of said Northwest 1/4 of the Southeast 1/4 of said Section 29, and the North line of said Northwest 1/4 of the Southeast 1/4 of said Section 29; thence North 89 degrees 45 minutes 32 seconds East along the North line of the Northwest 1/4 of the Southeast 1/4 of said Section 29, a distance of 1,330.76 feet to the intersection of the North line of said Northwest 1/4 of the Southeast 1/4 of said Section 29 and the East line of said Northwest 1/4 of the Southeast 1/4 of said Section 29; thence South 00 degrees 35 minutes 02 seconds East along said East line, a distance of 727.95 feet; thence South 89 degrees 45 minutes 32 seconds West, a distance of 1,330.54 feet to a point on the West line of the Northwest 1/4 of the Southeast 1/4 of said Section 29; thence North 00 degrees 36 minutes 05 seconds West along said West line (also being the centerline of State Route #55), a distance of 727.95 feet to the point of beginning, in Lake County, Indiana, EXCEPTING THEREFROM that part taken for road purposes by the State of Indiana as described in Warranty Deed recorded December 18, 1998 as Document No. 98101809.

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