

2.2 Investments. The Trustees shall have power, for such consideration as they may deem proper, to invest in, purchase or otherwise acquire, for cash or other property or through the issuance of Securities of the Trust, and hold or retain for investment full or participating interests of any type in real, personal or mixed, tangible or intangible, property of any kind wherever located; including, without limitation, the following: (a) Securities which are secured by Mortgages; (b) rents, lease payments or other income from, or the profits from, or the equity or ownership of, Real Property; (c) investments secured by the pledge or transfer of Mortgage Loans; and (d) Securities of every nature, whether or not secured by Mortgages.

In the exercise of their powers, the Trustees shall not be limited to investing in obligations maturing before the possible termination of the Trust, nor shall the Trustees be limited by any law now or hereafter in effect limiting the investments which may be held or retained by trustees or other fiduciaries, but they shall have full authority and power to make any and all investments within the limitations of this Declaration of Trust, that they, in their absolute discretion, shall determine, and without liability for loss, even though such investments may be speculative in nature or of a character or an amount not considered proper for the investment of trust funds or do not or may not produce income.

2.3 Appraisals. If the Trustees should at any time purchase Real Property (other than where such purchase results from a foreclosure or satisfaction of indebtedness to the Trust or is made in connection with the acquisition of a Mortgage Loan), the consideration paid for such Real Property shall be based upon the fair market value of the property as determined by an Appraisal, as determined in the discretion of the Trustees; provided, however, that in the event that such purchase is made from an Affiliate of the Trust or the Adviser, such Appraisal shall be made by a Person who is not an Affiliate of the Trust or the Adviser.

2.4 Legal Title. Legal title to all the Trust Property shall be vested in the Trustees pursuant to the Kentucky REIT Act during the term for which they are acting as Trustees and held by and transferred to and from the Trustees, and the Trustees shall have power to cause legal title to any Trust Property to be held by or in the name of one or more of the Trustees with suitable reference to their trustee status, or in the name of the Trust, or in the name of any other Person as nominee, on such terms, in such manner, and with such powers as the Trustees may determine, so long as in their judgment the interest of the Trust is adequately protected.

The right, title and interest of the Trustees in and to the Trust Property shall vest automatically in all persons who may hereafter become Trustees upon their due election and qualification without any further act. Upon the resignation, removal or death of a Trustee, or upon his failure to remain a Trustee for any reason, he (and in the event of his death, his estate) shall automatically cease to have any right, title or interest in or to any of the Trust Property as a Trustee, and such right, title and interest of such Trustee in and to the Trust Property shall vest automatically in the remaining Trustees without any further act. Such vesting and cessation of title shall be effective whether or not conveyancing documents have been executed and delivered.

2.5 Disposition, Renting, etc. of Assets. The Trustees shall have power to sell, grant security interests in, otherwise encumber, lease, exchange or otherwise dispose of or grant options in respect of any and all Trust Property free and clear of any and all trusts, at public or private sale, for cash or on terms, without advertisement, and subject to such restrictions, stipulations, agreements and reservations as they shall deem proper, including the power to take back mortgages to secure the whole or any part of the purchase price of any of the Trust Property sold or transferred by them, and to execute and deliver any deed or other instrument in connection with the foregoing. The Trustees shall also have the power to:

(a) rent, lease or hire from others or to others, for terms which may extend beyond the termination of this Declaration of Trust, any property or rights to property, real,