

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM439375

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Super Priority Trademark Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
K. HOV IP, II, INC.		08/14/2017	Corporation: CALIFORNIA
RECEIVING PARTY DATA			
Name:	Wilmington Trust, National Association, as Administrative Agent		
Street Address:	1100 N. MARKET ST.		
Internal Address:	RODNEY SQUARE NORTH		
City:	WILMINGTON		
State/Country:	DELAWARE		
Postal Code:	19890		
Entity Type:	National Banking Association: UNITED STATES		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	5179939	MISSION EXCELLENCE	
CORRESPONDENCE DATA			
Fax Number:	6502515002		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	(650) 251-5027		
Email:	jmull@stblaw.com		
Correspondent Name:	Marcela Robledo		
Address Line 1:	2475 Hanover Street		
Address Line 4:	Palo Alto, CALIFORNIA 94304		
ATTORNEY DOCKET NUMBER:	045050/0103		
NAME OF SUBMITTER:	J. Jason Mull		
SIGNATURE:	/J. Jason Mull/		
DATE SIGNED:	08/15/2017		
Total Attachments: 8			
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TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement (the “**Agreement**”), dated as of August 14, 2017 is made by K. HOV IP, II, INC., a California corporation (“the **Grantor**”) in favor of Wilmington Trust, National Association, as Administrative Agent in its capacity as collateral agent (in such capacity, the “**Agent**”) for the benefit of itself and the Lenders (as defined below).

WHEREAS, K. Hovnanian Enterprises, Inc., a California corporation (the “**Borrower**”), Hovnanian Enterprises, Inc., a Delaware corporation (“**Holdings**”), and each of the other guarantors party thereto (the “**Guarantors**”) have entered into the Credit Agreement dated as of July 29, 2016 (as amended, supplemented, amended and restated or otherwise modified from time to time, the “**Credit Agreement**”) with Wilmington Trust, National Association, as administrative agent (in such capacity, the “**Administrative Agent**”), pursuant to which the Borrower may borrow up to \$75,000,000 in term loans (collectively, the “**Loans**”) upon the terms and subject to the conditions set forth therein;

WHEREAS, the Borrower, Holdings, the Guarantors party thereto, the Administrative Agent, the Mortgage Tax Collateral Agent, the First Lien Notes Trustee and the First Lien Notes Collateral Agent have entered into the First Lien Intercreditor Agreement dated as of September 8, 2016 (as amended, supplemented, amended or restated or otherwise modified from time to time, the “**First-Lien Intercreditor Agreement**”);

WHEREAS, the Term Loans constitute Super Priority Indebtedness under the First-Lien Intercreditor Agreement;

WHEREAS, the Borrower, Holdings, the Guarantors party thereto, the Administrative Agent and the Mortgage Tax Collateral Agent (as defined therein), among others, entered into the Amended and Restated Intercreditor Agreement dated as of September 8, 2016 (as amended, supplemented, amended or restated or otherwise modified from time to time (including as supplemented by the Intercreditor Agreement Joinder (as defined below)), the “**Amended and Restated Intercreditor Agreement**”);

WHEREAS, the Borrower, Holdings, the Guarantors party thereto, the Administrative Agent, the Collateral Agent (as defined therein) and the Mortgage Tax Collateral Agent, among others, entered into a joinder, dated July 27, 2017 to the Amended and Restated Intercreditor Agreement (the “**Intercreditor Agreement Joinder**”);

WHEREAS, the Borrower is a member of an affiliated group of companies that includes Holdings, the Borrower’s parent company, and each other Guarantor;

WHEREAS, the Borrower and the other Guarantors are engaged in related businesses, and each Guarantor will derive substantial direct and indirect benefit from the borrowing of Term Loans; and

WHEREAS, pursuant to and under the Credit Agreement and the Security Agreement dated as of September 8, 2016 (the “**Security Agreement**”) among the Borrower, Holdings, each of the signatories listed on Schedule A thereto (together with any other entity that may become a party thereto) and the Agent, the Grantor has agreed to enter into this Agreement in order to grant a security interest to the Agent in certain Trademarks as security for such loans and other obligations as more fully described herein.

NOW, THEREFORE, intending to be legally bound hereby, the parties hereto agree as follows:

1. Defined Terms. Except as otherwise expressly provided herein, (a) capitalized terms used in this Agreement shall have the respective meanings assigned to them in the Credit Agreement or the Security Agreement, as applicable, and (b) the rules of construction set forth in Section 1.02 of the Credit Agreement shall apply to this Agreement. Where applicable and except as otherwise expressly provided herein or in the First-Lien Intercreditor Agreement, terms used herein (whether or not capitalized) shall have the respective meanings assigned to them in the Uniform Commercial Code as enacted in New York as amended from time to time (the “**Code**”).

2. To secure the full payment and performance of all Secured Obligations, the Grantor hereby grants to the Agent a security interest in the entire right, title and interest of such Grantor in and to all of its Trademarks, including, without limitation, any of the foregoing referred to in Schedule A; provided, however, that notwithstanding any of the other provisions set forth in this Section 2 (and notwithstanding any recording of the Agent’s Lien made in the U.S. Patent and Trademark Office, or other registry office in any other jurisdiction), this Agreement shall not constitute a grant of a security interest in (i) any property or assets constituting “Excluded Property” (as defined in the Credit Agreement) or (ii) any property to the extent that such grant of a security interest is prohibited by any applicable Law of an Official Body, requires a consent not obtained of any Official Body pursuant to such Law or is prohibited by, or constitutes a breach or default under or results in the termination of or gives rise to any right of acceleration, modification or cancellation or requires any consent not obtained under, any contract, license, agreement, instrument or other document evidencing or giving rise to such property, except to the extent that such Law or the term in such contract, license, agreement, instrument or other document or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable Law including 9-406, 9-407, 9-408 or 9-409 of the New York UCC (or any successor provision or provisions); provided, further, that no security interest shall be granted in any United States “intent-to-use” trademark or service mark applications unless and

until acceptable evidence of use of the trademark or service mark has been filed with and accepted by the U.S. Patent and Trademark Office pursuant to Section 1(c) or Section 1(d) of the Lanham Act (U.S.C. 1051, et seq.), and to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such "intent-to-use" trademark or service mark applications under applicable federal Law. After such period and after such evidence of use has been filed and accepted, the Grantor acknowledges that such interest in such trademark or service mark applications will become part of the Collateral. The Agent agrees that, at the Grantor's reasonable request and expense, it will provide such Grantor confirmation that the assets described in this paragraph are in fact excluded from the Collateral during such limited period only upon receipt of an Officer's Certificate and an Opinion of Counsel to that effect.

3. The Grantor covenants and warrants that:

(a) To the knowledge of the Grantor, on the date hereof, all material Intellectual Property owned by the Grantor is valid, subsisting and unexpired, has not been abandoned and does not, to the knowledge of the Grantor, infringe the intellectual property rights of any other Person;

(b) The Grantor is the owner of each item of Intellectual Property listed on Schedule A, free and clear of any and all Liens or claims of others except for the Permitted Liens. The Grantor has not filed or consented to the filing of any financing statement or other public notice with respect to all or any part of the Collateral in any public office, except as contemplated by the Security Agreement or as permitted by the Credit Agreement;

4. The Grantor agrees that, until all of the Secured Obligations shall have been indefeasibly satisfied in full, it will not enter into any agreement (for example, a license agreement) which is inconsistent with Grantor's obligations under this Agreement, without the Agent's prior written consent which shall not be unreasonably withheld or delayed, except Grantor may license Intellectual Property in the ordinary course of business without the Agent's consent to suppliers, agents, independent contractors and customers to facilitate the manufacture and use of such Grantor's products or services; and may otherwise take those actions permitted by the Credit Agreement.

5. All of the Agent's rights and remedies with respect to the Intellectual Property, whether established hereby, by the Security Agreement or by the Credit Agreement or by any other agreements or by Law, shall be cumulative and may be exercised singularly or concurrently. In the event of any irreconcilable inconsistency in the terms of this Agreement and the Security Agreement, the Security Agreement shall control.

6. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause

or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any clause or provision of this Agreement in any jurisdiction.

7. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties; provided, however, that except as permitted by the Credit Agreement, the Grantor may not assign or transfer any of its rights or obligations hereunder or any interest herein and any such purported assignment or transfer shall be null and void.

8. This Agreement and the rights and obligations of the parties under this Agreement shall be governed by, and construed and interpreted in accordance with, the Law of the State of New York.

9. The Grantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Grantor at its address referred to in Section 8.02 of the Security Agreement or at such other address of which the Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

10. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

11. THE GRANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY A JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

12. All notices, requests and demands to or upon the Agent or the Grantor shall be effected in the manner provided for in Section 9.02 of the Credit Agreement.

13. In the performance of its obligations, powers and rights hereunder, the Agent shall be entitled to the rights, benefits, privileges, powers and immunities afforded to it as Administrative Agent under the Credit Agreement. The Agent shall take or refrain from taking any discretionary action or exercise any discretionary powers set forth in this Agreement in accordance with, and subject to, the Credit Agreement. Notwithstanding anything to the contrary contained herein and notwithstanding anything contained in Section 9-207 of the New York UCC, the Agent shall have no responsibility for the creation, perfection, priority, sufficiency or protection of any liens securing Secured Obligations (including, but not limited to, no obligation to prepare, record, file, re-record or re-file any financing statement, continuation statement or other instrument in any public office). The permissive rights and authorizations of the Agent hereunder shall not be construed as duties. The Agent shall be entitled to exercise its powers and duties hereunder through designees, specialists, experts or other appointees selected by it in good faith

[SIGNATURES APPEAR ON FOLLOWING PAGE]


IN WITNESS WHEREOF, each of the undersigned has caused this Trademark Security Agreement to be duly executed and delivered as of the date first above written.

WILMINGTON TRUST, NATIONAL
ASSOCIATION as Agent

By: _____

Name:

Title:



Jeffrey Rose
Vice President

Grantor:

K. HOV IP, II, INC.

By: _____

Name:

Title:

[Signature Page to Super Priority IP Security Agreement]

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TRADEMARK
REEL: 006130 FRAME: 0459

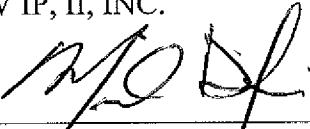
IN WITNESS WHEREOF, each of the undersigned has caused this Trademark Security Agreement to be duly executed and delivered as of the date first above written.

WILMINGTON TRUST, NATIONAL
ASSOCIATION as Agent

By: _____
Name:
Title:

Grantor:

K. HOV IP, II, INC.

By:  _____
Name: Michael Discafani
Title: Vice President and Secretary

[Signature Page to Super Priority IP Security Agreement]

Error! Unknown document property name.

TRADEMARK
REEL: 006130 FRAME: 0460

**SCHEDULE A
LIST OF UNITED STATES REGISTERED AND APPLIED FOR
TRADEMARKS**

Trademark	Application No. / Registration No.
MISSION EXCELLENCE	5179939

[Signature Page to Super Priority IP Security Agreement]

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