

First Federal, Kentucky Home Life owners agree on manager

Business First by Kevin Eigelbach, Reporter

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The owners of the Kentucky Home Life Building and **First Federal Savings Bank of Elizabethtown** Inc., the bank that holds the building's mortgage, have agreed on the appointment of an independent manager for the building.

In an agreed order filed late Friday in Jefferson Circuit Court, the two parties agreed that Dover Realty Advisors LLC and its affiliate, Paragon Dover Kentucky LLC, would serve as independent property managers for the office tower, located at Fifth and Jefferson streets downtown.

The order gives the Dover companies the right to collect rent from tenants, to contract with others to provide services for the building and pay operating expenses for the building. Any operating expenses remaining after expenses are paid are to go into an escrow account.

The agreement provides for a management fee of the greater of 5 percent of gross rents or \$5,000 per month, plus direct travel reimbursement of up to \$1,500 a month.

The building's owner, River Glen KHLB LLC, [sued the bank on June 21](#), claiming that the bank had reneged on promises to extend credit for the renovation and rehabilitation of the building. The bank denied that allegation and has [filed a counterclaim](#) asking the court to have the building sold to pay the \$10.4 million the bank says that KHLB owes it.

In an emergency motion filed July 5, the bank asked for a receiver to be appointed to manage the building, saying that the bank had to pay [delinquent property tax and unpaid utility bills](#) on the building, and that eight of the building's main air conditioning units were not working.

Kevin Eigelbach covers these beats: Financial services, residential real estate, property and casualty insurance, construction, unions, engineers, architects, agriculture, South End, Southwest County, Bullitt County.