


WHEN RECORDED, RETURN TO:
Travis Schwaer, Esq.
RED CAPITAL GROUP, LLC
1717 Main Street, Suite 900
Dallas, TX 75201


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Shelby Cnty Judge of Probate, AL
12/30/2013 03:33:51 PM FILED/CERT

**MORTGAGE
(WITH ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT AND FIXTURE FILING)**

made by

STV ONE NINETEEN SENIOR LIVING, LLC ("Borrower")

in favor of

RED WAREHOUSE I, LLC ("Lender")

Relating to Property located in Shelby County, Alabama

QMA Securing \$22,000,000 of initial indebtedness

THIS MORTGAGE IS AND SHOULD BE INDEXED IN THE INDEX OF FINANCING STATEMENTS AS A FIXTURE FILING IN ACCORDANCE WITH THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN THE STATE OF ALABAMA, AS AMENDED FROM TIME TO TIME ("UCC").

THE NAMES OF THE DEBTOR AND THE SECURED PARTY, THE MAILING ADDRESS OF THE SECURED PARTY FROM WHICH INFORMATION CONCERNING THE SECURITY INTEREST MAY BE OBTAINED, THE MAILING ADDRESS OF THE DEBTOR AND A STATEMENT INDICATING THE TYPES OR DESCRIBING THE ITEMS OF COLLATERAL ARE AS DESCRIBED IN SECTION 3.04 OF THIS MORTGAGE. THE ORGANIZATIONAL NUMBER OF BORROWER IS 4428272.

MORTGAGE
**(WITH ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT AND FIXTURE FILING)**

THIS MORTGAGE (WITH ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING) (as it may be amended and modified from time to time, the "Mortgage") is executed as of December 22, 2013 and made effective as of December 30, 2013, by STV ONE NINETEEN SENIOR LIVING, LLC, a Delaware limited liability company, whose mailing address is 1200 Corporate Drive, Suite 225, Birmingham, Alabama 34242 ("Borrower"), in favor of RED WAREHOUSE I, LLC, a Delaware limited liability company, whose mailing address is 1717 Main Street, Suite 900, Dallas, TX 75201 ("Lender").

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness recited in this Mortgage, the receipt of which is hereby acknowledged, Borrower hereby irrevocably mortgages, warrants, grants, bargains, sells, transfers, conveys and assigns to Lender:

(a) that certain real property located in the County of Shelby, State of Alabama, more particularly described in Exhibit A (the "Premises");

TOGETHER WITH:

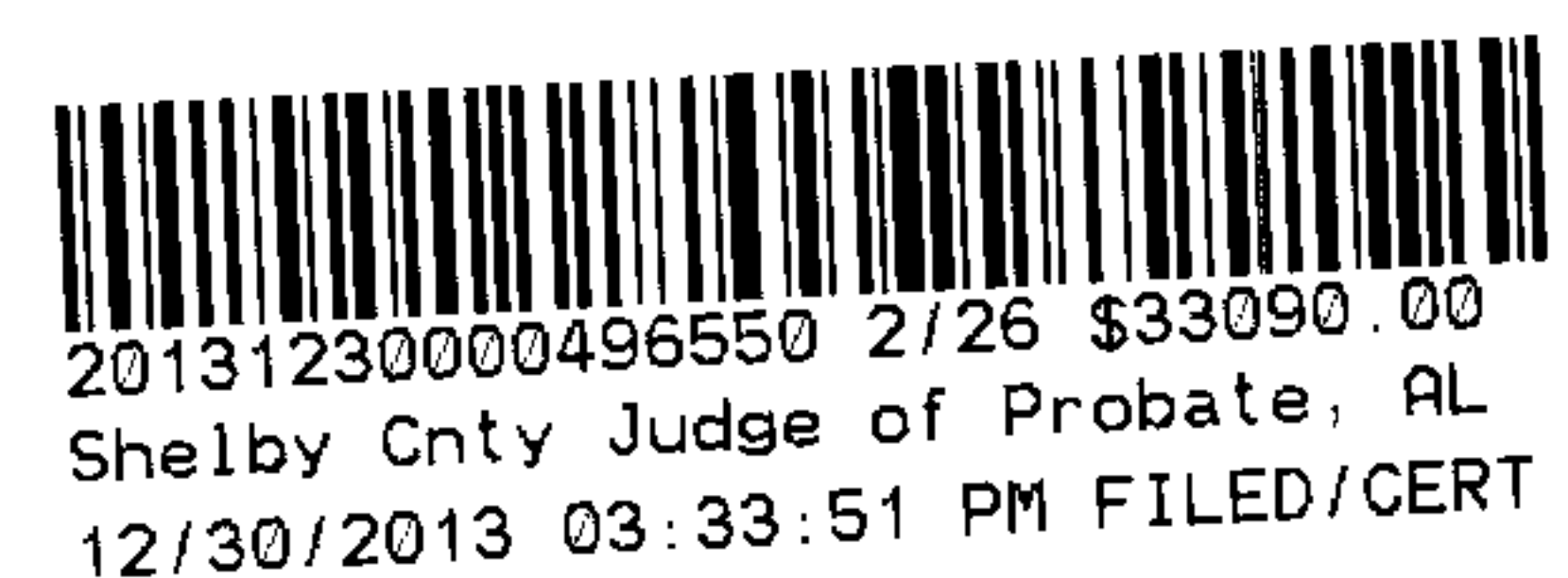
(b) any and all buildings and other improvements now or hereafter erected on the Premises including but not limited to fixtures, attachments, appliances, equipment, machinery, and other personal property (and all renewals and replacements thereof and substitutions therefor) attached to such buildings and other improvements (the "Improvements"), all of which are deemed to be a part of the real property;

(c) all rents, issues, profits, damages, royalties, income and other benefits now or hereafter derived from the Premises and the Improvements (collectively the "Rents"), subject to the terms and provisions of Article II with respect to all occupancy agreements, leases and subleases of the Premises or Improvements now or hereafter existing or entered into (or portions thereof) granted by Borrower, and further subject to the right, power and authority hereinafter given to Borrower to collect and apply such Rents;

(d) all other interests, estates or other claims, both in law and in equity, which Borrower now has or may hereafter acquire in the Premises or the Improvements;

(e) all appurtenances, easements, rights-of-way and other rights now owned or hereafter acquired by Borrower used in connection with the Premises or the Improvements or as a means of access thereto (including but not limited to all rights pursuant to any trackage agreement and all rights to the nonexclusive use of common drive entries, and all tenements, hereditaments and appurtenances thereof and thereto) and all water and water rights and shares of stock evidencing the same;

(f) all right, title and interest now owned or hereafter acquired by Borrower in and to all licenses, authorizations, certificates, variances, consents, approvals and other permits now or hereafter pertaining to the Premises;



(g) all leasehold estate, right, title and interest of Borrower in and to all occupancy agreements, leases or subleases covering the Premises or the Improvements or any portion thereof (“Leases”) now or hereafter existing or entered into, and all right, title and interest of Borrower thereunder including but not limited to all rights of Borrower against guarantors thereof, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

(h) all right, title and interest now owned or hereafter acquired by Borrower in and to any greater estate in the Premises or the Improvements;

(i) all right, title, and interest of Borrower in (i) the property and interests in property described on Exhibit B, (ii) all other personal property now or hereafter owned by Borrower, (iii) all other rights and interests of Borrower now or hereafter held in personal property that is now or hereafter located on or used in connection with the Premises or the Improvements, (iv) all personal property and rights and interests in personal property of similar type or kind hereafter acquired by Borrower and (v) all proceeds thereof (such personal property and proceeds are referred to collectively as the “Personal Property”);

(j) all right, title and interest of Borrower, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Premises, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Premises;

(k) all of Borrower’s interest in all oil, gas and other hydrocarbons, all sand and gravel, and all other minerals produced from or allocated to the Premises and all products processed or obtained therefrom, all rights, royalties, leases or leasehold interests with respect thereto, the proceeds thereof, and all accounts and general intangibles under which such proceeds may arise;

(l) all the other estate, interest, right, title, other claim or demand, both at law and in equity (including but not limited to claims or demands with respect to the proceeds of insurance in effect with respect thereto) that Borrower now has or may hereafter acquire in the Premises, the Improvements, the Personal Property or any other part of the Mortgaged Property (defined below), and any and all awards made for the taking by eminent domain, or by any proceeding of purchase in lieu thereof, of all or any part of the Mortgaged Property (including but not limited to any awards resulting from a change of grade of streets and awards for severance damages);

(m) all right, title and interest now owned or hereafter acquired by Borrower in and to all “Accounts,” “chattel paper,” “general intangibles” and “investment property” (as such terms are defined in the UCC as from time to time in effect) constituting or relating to the foregoing; and

(n) all proceeds of the foregoing property listed in paragraphs (a)-(m) above.

As used in this Mortgage, “Mortgaged Property” means all of the property, both real and personal, described in the foregoing paragraphs (a)-(n), including but not limited to the Premises, Improvements, Rents, Leases and Personal Property.

TO HAVE AND TO HOLD the Mortgaged Property, together with the rights, privileges and appurtenances thereto, unto Lender and its successors and assigns forever, and Borrower hereby

binds itself and its successors and assigns to warrant and forever defend the Mortgaged Property unto Lender and its successors and assigns, against the claim or claims of all persons claiming or to claim the Mortgaged Property or any part thereof, except for Permitted Exceptions.

Borrower and Lender intend that, in addition to any other indebtedness or obligations secured hereby, this Mortgage will secure unpaid balances of loan advances made after the Mortgage is recorded. Such loan advances are and will be evidenced by a note or notes of Borrower.

FOR THE PURPOSE OF SECURING (in such order of priority as Lender may elect) the following (the "Obligations"):

(a) payment of indebtedness in the total principal amount of up to \$25,000,000 ("Loan"), with Interest thereon evidenced by that Note of even date herewith (as it may be amended, modified, extended, and renewed from time to time, the "Note") executed by Borrower pursuant to that certain Loan and Security Agreement between Borrower and Lender dated the date of this Mortgage (as it may be amended, modified, extended and renewed from time to time, the "Loan Agreement") (capitalized terms used in this Mortgage and not defined in this Mortgage shall have the meanings given to them in the Loan Agreement);

(b) payment of all sums advanced by Lender to protect the Mortgaged Property, with Interest thereon at the Default Rate;

(c) payment of all other sums, with Interest thereon, that may hereafter be loaned to Borrower, its successors or assigns, by Lender or its successors or assigns;

(d) payment of all sums owed by Borrower under the Loan Documents (defined below) and performance of every obligation of Borrower contained in the Loan Documents;

(e) payment of all other indebtedness and liabilities of any kind or character of Borrower to Lender, now existing or hereafter arising, whether fixed or contingent, joint, several or joint and several, direct or indirect, primary or secondary, and regardless of how created or evidenced;

(f) performance of every other obligation of Borrower contained in the Loan Agreement, the Note or in any of the other Loan Documents or any agreement, document or instrument now or hereafter executed by Borrower in favor of Lender;

(g) compliance with and performance of each and every provision of any declaration of covenants, conditions and restrictions, any maintenance, easement and party wall agreement or any other agreement, document or instrument by which the Mortgaged Property is bound or may be affected; and

(h) all amendments, renewals, extensions, modifications or substitutions of any of the above.

As used in this Mortgage, "Loan Documents" means this Mortgage, the Note, the Loan Agreement, and any other deeds of trust, mortgages, security agreements or other agreements or instruments given to evidence or further secure the payment and performance of any or all of the

Obligations, as the foregoing may be amended, modified, extended or renewed from time to time, but does not and shall not include the Environmental Indemnity or Guaranty. The rate of interest payable under the Loan Agreement and the Note may vary from time to time as set forth in the Loan Agreement. The Obligations shall in no event exceed an amount equal to three hundred percent (300%) of the face amount of the Note.

BORROWER HEREBY COVENANTS AND AGREES AS FOLLOWS:

ARTICLE I
COVENANTS AND AGREEMENTS OF BORROWER

1.01 Payment and Performance of Secured Obligations. Borrower shall pay when due and shall timely perform each of the Obligations.

1.02 Assignment of Policies Upon Foreclosure. In the event of foreclosure of this Mortgage or any other transfer of title or assignment of the Mortgaged Property in extinguishment, in whole or in part, of the Obligations, all right, title and interest of Borrower in and to all policies of insurance required by the Loan Agreement shall inure to the benefit of and pass to the successor in interest to Borrower or the purchaser or grantee of the Mortgaged Property (including, if applicable, Lender), to the extent such policies are assignable pursuant to the terms thereof.

1.03 Waiver of Offset. Borrower shall pay all sums payable by Borrower under this Mortgage without notice (except for such notice as may be expressly required under this Mortgage or any other Loan Document), demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Borrower under this Mortgage will in no way be released, discharged or otherwise affected (except as expressly provided in this Mortgage) by reason of (i) any damage to or destruction of or any condemnation or similar taking of the Mortgaged Property or any part thereof, (ii) any restriction or prevention of or interference by any Person with any use of the Mortgaged Property or any part thereof, (iii) any title defect or encumbrance or any eviction from the Premises or the Improvements or any part thereof by title paramount or otherwise, (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Lender, or any action taken with respect to this Mortgage by any Lender or receiver of Lender or by any court, in any such proceeding, (v) any claim that Borrower has or might have against Lender, (vi) any default or failure on the part of Lender to perform or comply with any of the terms of the Loan Documents or of any other agreement with Borrower, or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Borrower has notice or knowledge of any of the foregoing. Except as expressly provided in this Mortgage, Borrower waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured by this Mortgage and payable by Borrower.

1.04 Actions Affecting Mortgaged Property. Borrower shall appear in and contest any action or proceeding purporting to affect the security of this Mortgage or the rights or powers of Lender; and shall pay all reasonable costs and expenses (including but not limited to costs of evidence of title, litigation, and in-house and outside attorneys' fees) in any such action or proceeding in which Lender may appear.

1.05 Actions By Lender. If Borrower fails to make any payment or to do any act as and in the manner provided in any of the Loan Documents, Lender, in its sole discretion, without obligation so to do, without releasing Borrower from any obligation, and with only such notice to or demand upon Borrower as may be required by the Loan Documents (unless a shorter notice period is required to prevent damage to or waste of the Mortgaged Property), may make or do the same in such manner and to such extent as it may deem necessary or appropriate. In connection therewith (without limiting its general powers, whether conferred such, in another Loan Document or by law), Lender shall have and is hereby given the right, but not the obligation, subject to Applicable Laws, (a) to enter upon and take possession of the Mortgaged Property; (b) to make additions, alterations, repairs and improvements to the Mortgaged Property that it may consider necessary or appropriate to keep the Mortgaged Property in good condition and repair; (c) to appear and participate in any action or proceeding affecting or which may affect the security of this Mortgage or the rights or powers of Lender; (d) to pay, purchase, contest or compromise any Lien or alleged Lien whether superior or junior to this Mortgage; and (e) in exercising such powers, to pay necessary expenses (including but not limited to expenses of employment of in-house and outside counsel or other necessary or desirable consultants). Borrower shall, immediately upon demand therefor by Lender, pay to Lender an amount equal to all reasonable costs and expenses incurred by Lender in connection with the exercise by Lender of the foregoing rights (including but not limited to costs of evidence of title, court costs, appraisals, surveys and receiver's, Lender's and in-house and outside attorneys' fees) together with Interest thereon from the date of such expenditures at the Default Rate.

1.06 Eminent Domain. All compensation, awards, damages, rights of action and proceeds awarded to Borrower by reason of any actual or threatened condemnation or eminent domain proceeding or damage shall be treated as Loss Recoveries under the Loan Agreement and are hereby assigned to Lender. Borrower agrees to execute such further assignments of such Loss Recoveries as Lender may require and if Borrower receives any Loss Recoveries, Borrower shall promptly pay over such Loss Recoveries to Lender. Lender is hereby authorized and empowered by Borrower, at Lender's option and in Lender's sole discretion, as attorney-in-fact for Borrower, to settle, adjust or compromise any claim for loss or damage in connection with any actual or threatened condemnation or eminent domain proceeding and, without regard to the adequacy of its security, to commence, appear in and prosecute in its own name and/or on behalf of Borrower any such action or proceeding arising out of or relating to any actual or threatened condemnation or eminent domain proceeding.

1.07 Additional Security. No other security now existing or hereafter taken, to secure the obligations secured hereby shall be impaired or affected by the execution of this Mortgage. All security for the Obligations from time to time shall be taken, considered and held as cumulative. Any taking of additional security, execution of partial releases of the security or any extension of the time of payment of or modification of other terms of any of the Obligations will not diminish the force, effect or lien of this Mortgage and will not affect or impair the liability of any maker, guarantor, surety or endorser for the payment or performance of any of the Obligations. If Lender at any time holds additional security for any of the Obligations, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before, concurrently with or after a sale or realization is made under this Mortgage.

1.08 Ownership and Liens and Encumbrances. Borrower is, and as to any portion of the Mortgaged Property acquired hereafter will upon such acquisitions be, and shall remain the owner of

the Mortgaged Property free and clear of any Liens, except for Permitted Exceptions, and Borrower has full right, power and authority to convey and mortgage the same and to execute this Mortgage.

1.09 Lender's Powers. Without affecting the liability of any Person liable for the payment of the Obligations, and without affecting the lien or charge of this Mortgage upon any portion of the Mortgaged Property not then or theretofore released as security for the Obligations, Lender may, from time to time and without notice (a) release any person so liable, (b) extend the Obligations, (c) grant other indulgences, (d) release or reconvey, or cause to be released or reconveyed, at any time at Lender's option any parcel, portion or all of the Mortgaged Property, (e) take or release any other or additional security or any guaranty for any Obligation, (f) make compositions or other arrangements with debtors in relation thereto, (g) consent in writing to the making of any map or plat thereof, (h) join in granting any easement thereon or (i) join in any extension agreement or any agreement subordinating the lien or charge of this Mortgage.

1.10 Protective Advances. Borrower represents that it has good and marketable title in fee simple to the Mortgaged Property, free and clear from all Liens, conditions, restrictions, easements and adverse claims whatsoever, except the Permitted Exceptions. If the interest of Lender in the Mortgaged Property or any part thereof is endangered or attacked, directly or indirectly, Borrower will take, or if Borrower fails to do so promptly, Borrower hereby authorizes Lender, at Borrower's expense, to take all necessary or beneficial steps for the defense of such interest, including the employment of counsel, the prosecution or defense of litigation and the compromise or discharge of claims made against such interest. Furthermore, upon Borrower's failure to comply with any covenant or agreement in this Mortgage or any of the other Loan Documents with respect to the payment of taxes, assessments, insurance premiums, repairs, protection of the Mortgaged Property or Lender's interest thereon or any other charges or costs due under this Mortgage or any of the other Loan Documents, Lender may, at its option, pay such amounts. As used in this Mortgage, "Protective Advances" means all those sums advanced, incurred or otherwise paid by Lender and referred to in this section or in Section 9.4 of the Loan Agreement. All Protective Advances will be charged against Borrower, will be immediately due and payable by Borrower, will bear Interest at the Default Rate, will be a lien upon the Mortgaged Property, will be secured by this Mortgage, and may be collected in the same manner as the principal debt secured by this Mortgage.

1.11 No Homestead; Separate Tax Parcel. Borrower represents that (a) no portion of the Mortgaged Property is being used as Borrower's homestead and no homestead exemption is applicable to the Premises, and (b) the Premises is a separate tax parcel (or are separate tax parcels).

ARTICLE II ASSIGNMENT OF LEASES AND RENTS

2.01 Assignment of Rents. Borrower hereby absolutely and irrevocably assigns and transfers to Lender all the Leases and Rents of the Mortgaged Property, and hereby gives to and confers upon Lender the right, power and authority to collect the Rents. Borrower irrevocably appoints Lender as Borrower's true and lawful attorney-in-fact, at the option of Lender at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Borrower or Lender, for all Rents and apply the same to the payment of the Obligations in such order as Lender determines. Borrower hereby authorizes and

directs the lessees, tenants and occupants to make all payments under the Leases directly to Lender upon written demand by Lender, without further consent of Borrower; provided, however, that Borrower may collect such Rents (but not more than 1 month in advance unless the written approval of Lender is first obtained), and may retain and enjoy the Rents, so long as an Event of Default (defined below) has not occurred. The assignment of the Leases and Rents of the Mortgaged Property in this Article II is intended, subject to the terms hereof, to be an absolute assignment from Borrower to Lender and not merely the passing of a security interest.

2.02 Collection Upon an Event of Default. Upon the occurrence of an Event of Default, Borrower's right to collect, retain and enjoy Rents will automatically terminate, and Borrower shall hold all Rents paid to Borrower thereafter in trust for the use and benefit of Lender, and Lender will have the right, power and authority, whether or not it takes possession of the Mortgaged Property, to seek enforcement of any Lease, and to demand, collect, receive, sue for and recover in its own name any and all Rents, and apply all amounts collected through the exercise of any such rights, less reasonable costs and expenses of operation and collection (including but not limited to in-house and outside attorneys' fees) upon payment of the Obligations in such order as Lender may determine. Lender shall not be deemed to have taken possession of the Mortgaged Property except on the exercise of its option to do so, evidenced by its demand and overt act for such purpose. Lender need not institute any type of legal proceedings or take any action whatsoever to enforce the assignment provisions of this Article II. Lender's collection of such Rents, exercise of such rights and remedies or application of the Rents will not cure or waive any default or notice of default under this Mortgage or any of the other Loan Documents or invalidate any act done in response to such default or pursuant to such notice of default.

2.03 Application of Rents. Upon such entry or the exercise of any such rights, Lender shall, after payment of all proper charges and expenses (including but not limited to reasonable compensation to such managing agent as it may select and employ) and after the accumulation of a reserve to meet requisite amounts, credit the net amount of the Rents received by it to the Obligations, but Lender shall determine in its sole discretion the manner of the application of such net income and which items are credited. Lender will not be accountable for more monies than it actually receives from the Mortgaged Property; nor will Lender be liable for failure to collect Rents. Lender shall make reasonable efforts to collect Rents, reserving, however, within its own sole discretion, the right to determine the method of collection and the extent to which enforcement of collection of Rents is prosecuted. Lender's judgment shall be deemed conclusive and reasonable.

2.04 Indemnity. **BORROWER HEREBY AGREES TO INDEMNIFY AND HOLD HARMLESS LENDER, ITS SUCCESSORS AND ASSIGNS, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES FOR, FROM AND AGAINST ANY AND ALL LOSSES, LIABILITIES, OBLIGATIONS, CLAIMS, DEMANDS, DAMAGES, PENALTIES, JUDGMENTS, AND REASONABLE COSTS AND EXPENSES, INCLUDING BUT NOT LIMITED TO LEGAL FEES AND EXPENSES OF BOTH OUTSIDE AND IN-HOUSE COUNSEL, HOWSOEVER AND BY WHOMSOEVER ASSERTED, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS ASSIGNMENT. ALL SUCH LOSSES, LIABILITIES, OBLIGATIONS, CLAIMS, DEMANDS, DAMAGES, PENALTIES, JUDGMENTS, COSTS AND EXPENSES WILL BE DEEMED TO BE ADDED TO THE INDEBTEDNESS SECURED BY THIS MORTGAGE**

AND WILL BE SECURED BY ANY AND ALL OTHER INSTRUMENTS SECURING SUCH INDEBTEDNESS. THE FOREGOING INDEMNITY WILL NOT TERMINATE UPON THE FORECLOSURE, RELEASE OR OTHER TERMINATION OF THIS MORTGAGE, BUT WILL SURVIVE FORECLOSURE OR CONVEYANCE IN LIEU OF FORECLOSURE AND THE REPAYMENT OF THE OBLIGATIONS AND THE DISCHARGE AND RELEASE OF THIS MORTGAGE AND THE LOAN DOCUMENTS. WITHOUT LIMITATION, THE FOREGOING INDEMNITIES WILL APPLY TO EACH INDEMNIFIED PARTY WITH RESPECT TO ALL CLAIMS, DEMANDS, LOSSES, DAMAGES, LIABILITIES, CAUSES OF ACTION, JUDGMENTS, PENALTIES, AND REASONABLE COSTS AND EXPENSES, EXCLUDING, HOWEVER, ANY MATTERS ARISING OUT OF THE INDEMNIFIED PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR ANY MATTERS ARISING AFTER LENDER HAS TAKEN TITLE TO ANY PART OF THE MORTGAGED PROPERTY.

2.05 No Obligation to Perform. Nothing contained in this Mortgage operates or is to be construed to obligate Lender to perform any obligations of Borrower under any Lease (including but not limited to any obligation arising out of any covenant of quiet enjoyment therein contained in the event the lessee under any such Lease has been joined as a party defendant in any action to foreclose and the estate of such lessee has been thereby terminated). Prior to actual entry into and taking possession of the Premises by Lender, this assignment will not be deemed to constitute Lender a "Lender in possession" and will not operate to place upon Lender any responsibility for the operation, control, care, management or repair of the Mortgaged Property or any portion thereof. The execution of this assignment by Borrower constitutes conclusive evidence that Borrower bears all responsibility for the operation, control, care, management and repair of the Mortgaged Property, prior to any such actual entry and taking of possession.

2.06 Right to Rely. In connection with Lender's exercise of its rights described in Section 2.02, Borrower hereby authorizes and directs the tenants or occupants under the Leases to pay Rents to Lender upon written demand by Lender without further consent of Borrower, and tenants or occupants may rely upon any written statement delivered by Lender to the tenants or occupants. Any such payment to Lender shall constitute payment to Borrower under the Leases. The provisions of this paragraph are intended solely for the benefit of Borrower or any person claiming through or under Borrower other than a tenant or occupant who has not received such notice. The Assignment of Rents set forth in Section 2.01 is not contingent upon any notice or demand by Lender to the tenants or occupants.

ARTICLE III SECURITY AGREEMENT

3.01 Creation of Security Interest. Borrower, as debtor, to the extent permitted by law, hereby grants to Lender, as secured party, a security interest in and to all the Personal Property and all other portions of the Mortgaged Property to the extent constituting personal property under Applicable Laws.

3.02 Use of Personal Property by Borrower. Until the occurrence of an Event of Default under this Mortgage or any other Loan Document, Borrower may have possession of the Personal

Property and use it in any lawful manner not inconsistent with this Mortgage and not inconsistent with any policy of insurance thereon.

3.03 Remedies Upon an Event of Default. In addition to the remedies provided in Article IV, upon the occurrence of an Event of Default, Lender may, at its option, exercise any right or remedy available to Lender contained in the Loan Agreement, including, without limitation, those set forth in Section 7.2 and Section 8.4 thereof, or otherwise in equity or at law. The net proceeds realized upon any disposition of the Personal Property shall be applied in accordance with the Loan Agreement. Any repossession or retaking or sale of the Personal Property pursuant to the terms of this Mortgage, the Loan Agreement or any of the other Loan Documents will not operate to release Borrower until full payment of any deficiency has been made in cash.

3.04 Financing Statement.

(a) The Mortgage is intended to be a fixture filing for the purposes of Article 9 of the UCC for any of the Mortgaged Property comprising personal property and fixtures that may be subject to a security interest pursuant to the UCC.

(b) Some of the items of the Mortgaged Property described in this Mortgage are goods that are or are to become fixtures related to the Premises, and it is intended that as to those goods, this Mortgage or a photographic, electronic or other reproduction of this Mortgage will be effective as a financing statement filed as a fixture filing from the date of its filing for record in the real property records of the county in which the Mortgaged Property is situated.

(c) As to items of the Mortgaged Property which are personalty, a photographic, electronic or other reproduction of this Mortgage will be sufficient as a financing statement when filed in the office of the Secretary of State of the state in which the Borrower is formed.

(d) The information contained in this section is provided so that this Mortgage will comply with the requirements of Section 7-9A-502 of the UCC for mortgages to be effective as financing statements filed as a fixture filing. The name of the "debtor" is STV ONE NINETEEN SENIOR LIVING, LLC, a Delaware limited liability company, and the name of the "secured party" is RED WAREHOUSE I, LLC, a Delaware limited liability company. The mailing address of the "secured party" from which information concerning the security interest may be obtained and the mailing address of the "debtor" are as set forth in Section 5.05 of this Mortgage. A statement containing the types or describing the items of collateral is set forth in this Mortgage in the definition of Mortgaged Property, above.

ARTICLE IV
REMEDIES UPON DEFAULT

4.01 Events of Default. Any Event of Default under the Loan Agreement or any of the other Loan Documents, or any event of default under this Mortgage, constitutes an "Event of Default."

4.02 Acceleration Upon Default. Upon the occurrence and during the continuance of an Event of Default, Lender may, at its option, declare all or any part of the Obligations immediately

due and payable without any presentment, demand, protest or notice of any kind, Borrower hereby waiving notice of default, demand for payment, notice of intent to accelerate, and notice of acceleration.

4.03 Possession. Upon the occurrence and during the continuance of an Event of Default, Lender is authorized prior or subsequent to the institution of any foreclosure proceedings to enter upon the Mortgaged Property or any part thereof, and to take possession of the Mortgaged Property and of all books, records and accounts relating thereto and to exercise without interference from Borrower any and all rights which Borrower has with respect to the management, possession, operation, protection or preservation of the Mortgaged Property, including the right to rent the same for the account of Borrower and to deduct from such rents all reasonable costs, expenses and liabilities of every character incurred by Lender in collecting such rents and in managing, operating, maintaining, protection or preserving the Mortgaged Property and to apply the remainder of such rents to the Obligations in such manner as Lender may elect in its sole discretion. All such costs, expenses and liabilities incurred by Lender in collecting such rents and in managing, operating, maintaining or preserving the Mortgaged Property, if not paid out of rents as provided in this Mortgage, will constitute a demand obligation owing by Borrower and shall be secured hereby. If necessary to obtain the possession provided for above, Lender may invoke any and all legal remedies to dispossess Borrower, including but not limited to one or more actions for forcible entry and detainer, trespass to try title and restitution. **IN CONNECTION WITH ANY ACTION TAKEN BY LENDER PURSUANT TO THIS SECTION, LENDER SHALL NOT BE LIABLE FOR ANY LOSS SUSTAINED BY BORROWER RESULTING FROM ANY FAILURE TO LET THE MORTGAGED PROPERTY OR ANY PART THEREOF, OR FROM ANY OTHER ACT OR OMISSION OF LENDER IN MANAGING THE MORTGAGED PROPERTY UNLESS SUCH LOSS IS CAUSED BY THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF LENDER, NOR SHALL LENDER BE OBLIGATED TO PERFORM OR DISCHARGE ANY OBLIGATION, DUTY OR LIABILITY UNDER ANY LEASE COVERING THE MORTGAGED PROPERTY OR ANY PART THEREOF OR UNDER OR BY REASON OF THIS INSTRUMENT OR THE EXERCISE OF RIGHTS OR REMEDIES HEREUNDER. BORROWER SHALL AND DOES HEREBY AGREE TO INDEMNIFY LENDER FOR, AND TO HOLD LENDER, ITS SUCCESSORS AND ASSIGNS, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES HARMLESS FROM, ANY AND ALL LIABILITY, LOSS OR DAMAGE WHICH MAY OR MIGHT BE INCURRED BY LENDER UNDER ANY SUCH LEASE OR UNDER OR BY REASON OF THIS MORTGAGE OR THE EXERCISE OF RIGHTS OR REMEDIES HEREUNDER AND FROM ANY AND ALL CLAIMS AND DEMANDS WHATSOEVER WHICH MAY BE ASSERTED AGAINST LENDER BY REASON OF ANY ALLEGED OBLIGATIONS OR UNDERTAKINGS ON ITS PART TO PERFORM OR DISCHARGE ANY OF THE TERMS, COVENANTS OR AGREEMENTS CONTAINED IN ANY SUCH LEASE. WITHOUT LIMITATION, THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDEMNIFIED PARTY WITH RESPECT TO ALL CLAIMS, DEMANDS, LOSSES, DAMAGES, LIABILITIES, CAUSES OF ACTION, JUDGMENTS, PENALTIES, AND REASONABLE COSTS AND EXPENSES, EXCLUDING, HOWEVER, ANY MATTERS ARISING OUT OF THE INDEMNIFIED PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR ANY MATTERS ARISING AFTER**

LENDER HAS TAKEN TITLE TO ANY PART OF THE MORTGAGED PROPERTY.

Should Lender incur any such liability, the amount thereof, including costs, expenses and reasonable in-house and outside attorneys' fees, shall be secured hereby. Nothing in this section imposes any duty, obligations or responsibility upon Lender for the control, care, management or repair of the Mortgaged Property, nor for the carrying out of any of the terms and conditions of any such Lease; nor shall it operate to make Lender responsible or liable for any waste committed on the Mortgaged Property by the tenants, occupants or by any other parties or for any dangerous or defective condition of the Mortgaged Property. Borrower hereby assents to any and all actions of Lender with respect to the Mortgaged Property taken under this section consistent with the Loan Documents and agrees that the foregoing indemnity shall not terminate upon release, foreclosure or other termination of this Mortgage.

4.04 Foreclosure. Upon the occurrence of an Event of Default Lender may foreclose this Mortgage as to any of the Mortgaged Property in any manner permitted by the laws of the State of Alabama or of any other state in which any part of the Mortgaged Property is situated. If a foreclosure under this Mortgage is commenced by Lender, Lender may at any time before the sale of the Mortgaged Property abandon the sale, and may then institute suit for the collection of the Obligations, and for the foreclosure of this Mortgage. If Lender institutes a suit for the collection of the Obligations and for the foreclosure of this Mortgage, Lender may at any time before the entry of a final judgment in such suit dismiss the sale and sell the Mortgaged Property in accordance with the provisions of this Mortgage. Any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale as to nonpayment of the Obligations, or as to the occurrence of any Event of Default, or as to Lender having declared all of such Obligations to be due and payable, or as to notice of time, place and terms of sale and of the properties to be sold having been duly given, or as to any other act or thing having been duly done by Lender, are to be taken as prima facie evidence of the truth of the facts so stated and recited.

4.05 Single or Multiple Foreclosure Sales. If the Mortgaged Property consists of more than one lot, parcel or item of property, Lender may, subject to Applicable Laws:

(a) Designate the order in which the lots, parcels and/or items shall be sold or disposed of or offered for sale or disposition; and

(b) Elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made under or in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Lender may deem to be in its best interests (any such sale or disposition, a "Foreclosure Sale"; and any two or more, "Foreclosure Sales").

If Lender chooses to have more than one Foreclosure Sale, it may, at its option, cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as it may deem to be in its best interests. No Foreclosure Sale shall terminate or affect the liens of this Mortgage on any part of the Mortgaged Property which has not been sold, until all of the Obligations have been paid in full. Neither Lender nor any receiver, nor any of their agents or representatives, shall have any liability for any loss,

damage, injury, cost or expenses resulting from any action or omission that was taken or omitted in good faith.

4.06 Credit Bids. At any Foreclosure Sale, any Person, including Lender, may bid for and acquire the Mortgaged Property or any part of it to the extent permitted by then Applicable Laws. To the extent permitted by Applicable Laws, instead of paying cash for such property, Lender may settle for the purchase price by crediting the sales price of the Mortgaged Property in accordance with the provisions of the Loan Agreement.

4.07 Receiver. In addition to all other remedies provided for, Borrower agrees that upon the occurrence and during the continuance of an Event of Default, and to the extent permitted by law, Lender shall as a matter of right be entitled to the appointment of a receiver or receivers for all or any part of the Mortgaged Property, whether such receivership be incident to a proposed sale of the Mortgaged Property or otherwise, and without regard to the value of the Mortgaged Property or the solvency of any person or persons liable for the payment of the Obligations. Borrower hereby consents to the appointment of such receiver or receivers, waives any and all defenses to such appointment and agrees not to oppose any application therefor by Lender, but nothing in this Mortgage is to be construed to deprive Lender of any other right, remedy or privilege it may now have under the law to have a receiver appointed. The appointment of such receiver, Lender or other appointee by virtue of any court order, statute or regulation will not impair or in any manner prejudice the rights of Lender to receive payment of the Rents pursuant to Section 2.02. Any money advanced by Lender in connection with any such receivership will be secured by this Mortgage.

4.08 Proceeds of Sale. The proceeds of any sale held by Lender or any receiver or public officer in foreclosure of the liens evidenced hereby shall be distributed, subject to Applicable Laws, in accordance with the provisions of the Loan Agreement.

4.09 Lender as Purchaser. Lender shall have the right to become the purchaser at any sale held by Lender or by any receiver or public officer, and Lender may credit upon the amount of the bid made therefor, to the extent necessary to satisfy such bid, the Obligations owing to such Lender.

4.10 Remedies Not Exclusive. Lender may enforce one or more remedies under this Mortgage, under any other Loan Document or otherwise in equity or at law, successively or concurrently, and such action will not operate to estop or prevent Lender from pursuing any further remedy that it may have. Lender may enforce payment and performance of any and all of the Obligations and to exercise all rights and powers under the Loan Documents and under Applicable Laws now or hereafter in effect, notwithstanding that some or all of the Obligations may now or hereafter be otherwise secured or guaranteed. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or other rights contained in this Mortgage, will prejudice or in any manner affect Lender's right to realize upon or enforce any other security or guaranty now or hereafter held by Lender, it being agreed that Lender may enforce this Mortgage and any other security or any guaranty now or hereafter held by Lender in such order and manner as Lender may in its absolute discretion determine. No remedy conferred upon or reserved to Lender in this Mortgage is intended to be exclusive of any other remedy contained in this Mortgage or by Applicable Laws provided or permitted, but each is cumulative and in addition to every other remedy given under this Mortgage, in the other Loan Documents or now or hereafter existing in equity or at law. Every

power or remedy given by any of the Loan Documents or by law to Lender may be entitled may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Lender.

ARTICLE V MISCELLANEOUS

5.01 Change, Discharge, Termination or Waiver. No provision of this Mortgage may be changed, discharged, terminated or waived except in a writing signed by the party against whom enforcement of the change, discharge, termination or waiver is sought. No failure on the part of Lender to exercise and no delay by Lender in exercising any right or remedy under the Loan Documents or under the law will operate as a waiver thereof.

5.02 Borrower Waiver of Rights. Borrower waives, to the extent permitted by law and except as otherwise specifically provided in the Loan Documents, (a) the benefit of all laws now existing or that may hereafter be enacted providing for any appraisal before sale of any portion of the Mortgaged Property and (b) all rights of redemption, valuation, appraisal, stay of execution, notice of default, demand for payment, notice of intention to mature, accelerate or declare due the Obligations, notice of election to mature, accelerate or declare due the Obligations, and marshaling of the assets of Borrower (including but not limited to the Mortgaged Property) or to a sale in inverse order of alienation in the event of foreclosure of the liens hereby created.

5.03 Defeasance. If all of the Obligations are paid as the same become due and kept and performed in accordance with the terms of the Loan Documents, then, and in that event only, all rights under this Mortgage shall terminate and the Mortgaged Property shall become wholly free of the liens, security interests and assignments evidenced hereby, which will be released by Lender in due form at Borrower's cost.

5.04 Notices. Any notice or other communication required or permitted to be made or given under this Agreement (a "Notice"), shall be in writing and shall be (a) delivered in person, in which event the Notice shall be deemed received when delivery is actually made, (b) sent by e-mail, in which event the Notice shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and further provided that a copy of such Notice is also delivered pursuant to clause (a) or (c); or (c) sent by a nationally recognized overnight courier for next business day delivery, in which event the Notice shall be deemed received on the first Business Day after delivery to, and acceptance for delivery by, the courier. Any party may change its address or e-mail address by giving written notice to each of the other parties in accordance with this section. The addresses for Notices are as follows:

To Lender: Red Warehouse I, LLC
1717 Main Street, Suite 900
Dallas, TX 75201
Attention: Legal Department
E-Mail Address: tschwaer@redcapitalgroup.com

To Borrower: STV One Nineteen Senior Living, LLC
1200 Corporate Drive, Suite 225
Birmingham, Alabama 34242
Attention: Brian Parker
E-Mail: bparker@dominionpartnersllc.com

With a copy to: Baker, Donelson, Bearman, Caldwell & Berkowitz, PC
420 20th Street North, #1600
Birmingham, AL 35203
Attention: Denise Killebrew
E-Mail: dkillebrew@bakerdonelson.com

5.05 Titles and Headings. The headings at the beginning of each article and section of this Mortgage are solely for convenience and are not part of this Mortgage. Unless otherwise indicated, each reference in this Mortgage to an article, section or exhibit is a reference to an article of, section of or exhibit to this Mortgage.

5.06 Invalidity of Certain Provisions. If any provision of this Mortgage is unenforceable, the enforceability of the other provisions will not be affected and they will remain in full force and effect. If the lien of this Mortgage is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Mortgaged Property, the unsecured or partially secured portion of the debt shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, will be considered to have been first paid on and applied to the full payment of that portion of the debt which is not secured or fully secured by the lien of this Mortgage.

5.07 Subrogation. To the extent that proceeds of the Note are used to pay any outstanding Lien against the Mortgaged Property, such proceeds have been or will be advanced by Lender at Borrower's request and Lender will be subrogated to any and all rights and Liens held by any owner or holder of such outstanding Liens, irrespective of whether such Liens are released.

5.08 Attorneys' Fees. If any or all of the Obligations are not paid when due or if an Event of Default occurs, Borrower agrees to pay all reasonable costs of enforcement and collection and preparation therefore (including but not limited to reasonable attorneys' fees [in-house or otherwise]) whether or not any action or proceeding is brought (including but not limited to all such costs incurred in connection with any bankruptcy, receivership or other court proceedings (whether at the trial or appellate level)), together with Interest therein from the date of demand at the Default Rate.

5.09 GOVERNING LAW. THIS MORTGAGE AND THE OTHER LOAN DOCUMENTS SHALL BE DEEMED TO BE CONTRACTS ENTERED INTO PURSUANT TO THE LAWS OF THE STATE OF NEW YORK AND SHALL IN ALL RESPECTS BE GOVERNED, CONSTRUED, APPLIED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS), INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE. TO THE FULLEST EXTENT PERMITTED BY LAW, BORROWER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS MORTGAGE OR ANY OF THE OTHER LOAN DOCUMENTS, AND THIS MORTGAGE AND THE NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK PURSUANT TO § 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW; PROVIDED, HOWEVER, THAT THE LAWS OF THE STATE WHERE THE PREMISES IS LOCATED SHALL APPLY TO THE CREATION, PERFECTION AND ENFORCEMENT OF ANY LIENS, SECURITY INTERESTS AND ENCUMBRANCES GRANTED OR CREATED BY THIS MORTGAGE ON REAL PROPERTY, IT BEING UNDERSTOOD THAT, TO THE FULLEST EXTENT PERMITTED BY THE LAW OF SUCH STATE, THE LAW OF THE STATE OF NEW YORK SHALL GOVERN THE VALIDITY AND THE ENFORCEABILITY OF ALL LOAN DOCUMENTS AND THE INDEBTEDNESS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE LAWS OF THE STATE OF NEW YORK SHALL APPLY TO ALL MATTERS RELATING TO THE CHARGING AND COLLECTION OF INTEREST AND FEES UNDER THE LOAN DOCUMENTS. THE FACT THAT PORTIONS OF THE LOAN DOCUMENTS MAY INCLUDE PROVISIONS DRAFTED TO CONFORM TO THE LAW OF THE STATE WHERE THE PREMISES IS LOCATED IS NOT INTENDED, NOR SHALL IT BE DEEMED, IN ANY WAY, TO DEROGATE THE PARTIES' CHOICE OF LAW AS SET FORTH HEREIN OR IN THE OTHER LOAN DOCUMENTS. BORROWER ACKNOWLEDGES AND AGREES THAT THE CHOICE OF NEW YORK LAW WAS A MATERIAL INDUCEMENT TO LENDER TO ENTER INTO THE LOAN AGREEMENT AND TO MAKE THE LOAN.

5.10 CONSENT TO JURISDICTION. BORROWER HEREBY UNCONDITIONALLY AND IRREVOCABLY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE COUNTY OF DALLAS, STATE OF TEXAS AND UNCONDITIONALLY AND IRREVOCABLY AGREES THAT, SUBJECT TO LENDER'S ELECTION, ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THE NOTE OR THE OTHER LOAN DOCUMENTS SHALL BE LITIGATED SOLELY IN ANY STATE OR FEDERAL COURT LOCATED WITHIN THE COUNTY OF DALLAS, STATE OF TEXAS. BORROWER HEREBY EXPRESSLY UNCONDITIONALLY AND IRREVOCABLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS AND BORROWER UNCONDITIONALLY AND IRREVOCABLY AGREES THAT ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE NOTE OR THE OTHER LOAN DOCUMENTS SHALL BE

BROUGHT, FILED AND LITIGATED BY BORROWER SOLELY IN ANY STATE OR FEDERAL COURT LOCATED WITHIN THE COUNTY OF DALLAS, STATE OF TEXAS. BORROWER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON BORROWER BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO BORROWER, AT THE ADDRESS SET FORTH IN THIS MORTGAGE AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED. SOLELY WITH RESPECT TO MATTERS REGARDING ENFORCEMENT OF REAL PROPERTY RIGHTS WITH RESPECT TO THE MORTGAGED PROPERTY, BORROWER CONSENTS TO VENUE IN THE STATE AND FEDERAL COURTS LOCATED IN SHELBY COUNTY, ALABAMA.

5.11 Joint and Several Obligations. If this Mortgage is signed by more than one party as Borrower, all obligations of Borrower in this Mortgage are the joint and several obligations of each party executing this Mortgage as Borrower.

5.12 Number and Gender. In this Mortgage the singular shall include the plural and the masculine shall include the feminine and neuter gender and vice versa, if the context so requires.

5.13 Waiver by Lender. Lender may at any time and from time to time in writing (a) waive compliance by Borrower with any covenant in this Mortgage made by Borrower to the extent and in the manner specified in such writing; (b) consent to Borrower doing any act which Borrower is prohibited from doing under this Mortgage, or consent to Borrower failing to do any act which Borrower is required to do under this Mortgage, to the extent and in the manner specified in such writing; (c) release any part of the Mortgaged Property, or any interest therein, from the lien and security interest of this Mortgage or (d) release any party liable, either directly or indirectly, for the Obligations or for any covenant in this Mortgage or in any of the other Loan Documents now or hereafter securing the payment of the Obligations, without impairing or releasing the liability of any other party. No such act will in any way impair the rights of Lender under this Mortgage except to the extent specifically agreed to by Lender in such writing.

5.14 Actions by Lender. The lien, security interest and other security rights of Lender under this Mortgage will not be impaired by any indulgence, moratorium or release granted by Lender, including but not limited to (a) any renewal, extension, increase or modification which Lender may grant with respect to any of the Obligations, (b) any surrender, compromise, release, renewal, extension, exchange or substitution which Lender may grant in respect of the Mortgaged Property or any part thereof or any interest therein or (c) any release or indulgence granted to any endorser, guarantor or surety of any of the Obligations. The taking of additional security by Lender will not release or impair the lien, security interest or other security rights of Lender under this Mortgage or affect the liability of Borrower or of any endorser or guarantor or other surety or improve the rights of any permitted junior lienholder in the Mortgaged Property.

5.15 Right of Lender. Lender may waive any Event of Default without waiving any other prior or subsequent Event of Default. Lender may remedy any default without waiving the Event of Default remedied. Neither the failure nor delay by Lender in exercising any right, power or remedy

upon any Event of Default is to be construed as a waiver of such Event of Default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise by Lender of any right, power or remedy hereunder will exhaust the same or shall preclude any other or further exercise thereof, and every such right, power or remedy hereunder may be exercised at any time and from time to time. No modification or waiver of any provision of this Mortgage nor consent to any departure by Borrower therefrom will in any event be effective unless the modification or waiver is in writing and signed by Lender and then such waiver or consent shall be effective only in the specific instances, for the purpose for which given and to the extent therein specified. No notice to nor demand on Borrower in any case will, of itself, entitle Borrower to any other or further notice or demand in similar or other circumstances. Acceptance by Lender of any payment in an amount less than the amount then due on any of the Obligations will be deemed to be an acceptance on account only and will not in any way affect the existence of an Event of Default under this Mortgage.

5.16 Dealing with Successor. If the ownership of the Mortgaged Property or any part thereof becomes vested in a person other than Borrower, Lender may, without notice to Borrower, deal with such successor or successors in interest with reference to this Mortgage and to the Obligations in the same manner as with Borrower, without in any way vitiating or discharging Borrower's liability under this Mortgage or for the payment of the Obligations. But nothing in this section permits or is to be construed to permit any transfer of the Mortgaged Property which would constitute an Event of Default under this Mortgage. No sale of the Mortgaged Property, no forbearance on the part of Lender and no extension of the time for payment of the Obligations given by Lender will operate to release, discharge, modify, change or affect, in whole or in part, the liability of Borrower under this Mortgage or for the payment of the Obligations or the liability of any other person hereunder or for the payment of the Obligations, except as agreed to in writing by Lender.

5.17 Application of Obligations. If any part of the Obligations cannot be lawfully secured by this Mortgage or if any part of the Mortgaged Property cannot be lawfully subject to the lien and security interest of this Mortgage to the full extent of the Obligations, then all payments made shall be applied on such Obligations first in discharge of that portion thereof which is unsecured by this Mortgage.

5.18 Successors and Assigns. The terms, provisions, covenants and conditions of this Mortgage will be binding upon, and inure to the benefit of, Borrower, Lender and their respective successors and permitted assigns, and shall constitute covenants that affect the Premises as covenants running with the land. All references in this Mortgage to Borrower and Lender are deemed to include all such successors and permitted assigns. Notwithstanding the foregoing, Borrower shall not delegate its obligations under the Loan Documents.

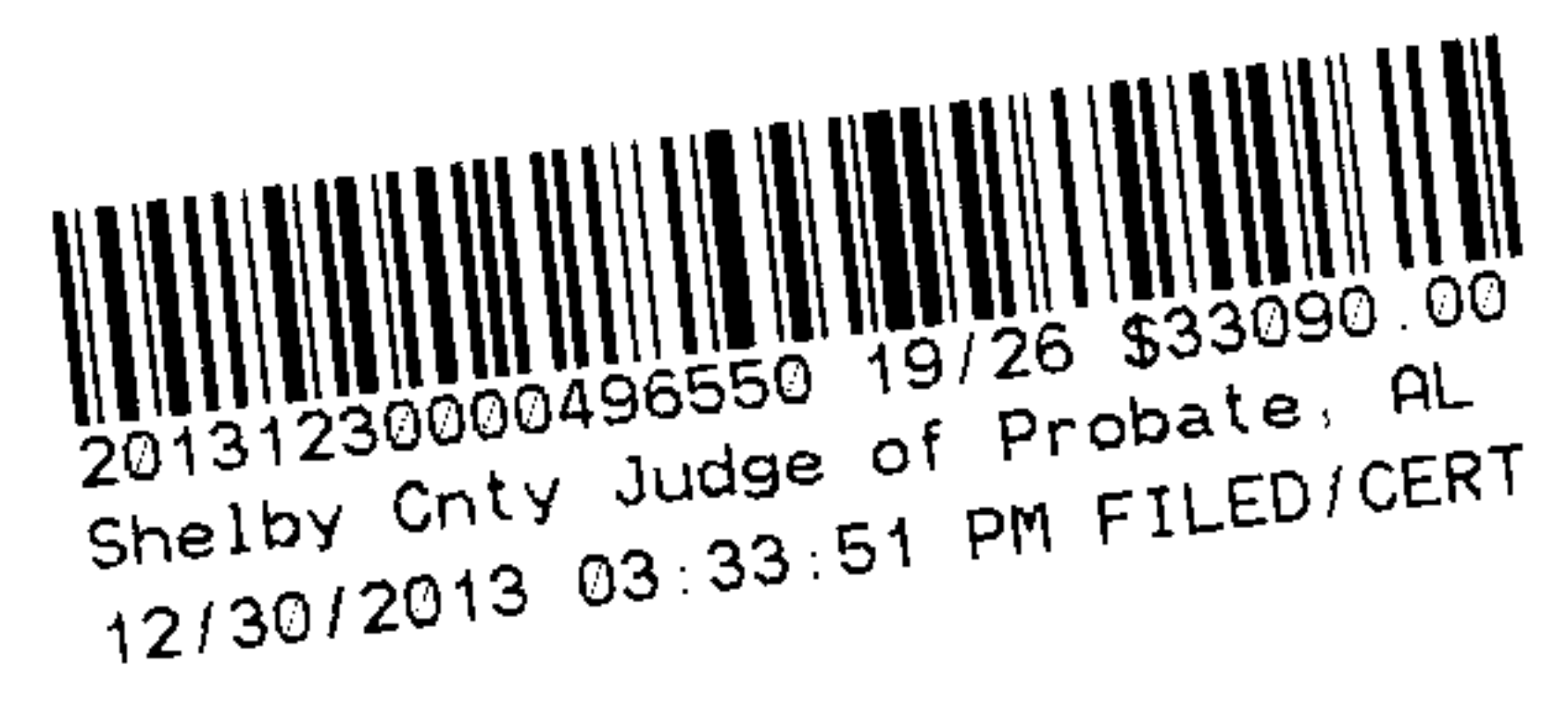
5.19 No Merger of Lease. If both the lessor's and lessee's estate under any lease or any portion thereof which constitutes a part of the Mortgaged Property shall at any time become vested in one owner, this Mortgage and the lien created hereby shall not be destroyed or terminated by application of the doctrine of merger unless Lender so elects as evidenced by recording a written declaration executed by Lender so stating, and, unless and until Lender so elects, Lender shall continue to have and enjoy all of the rights and privileges of Lender as to the separate estates. In

addition, upon the foreclosure of the lien created by this Mortgage on the Mortgaged Property pursuant to the provisions of this Mortgage, any occupancy agreements, leases or subleases then existing and affecting all or any portion of the Mortgaged Property shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless Lender or any purchaser at such foreclosure sale shall so elect. No act by or on behalf of Lender or any such purchaser shall constitute a termination of any lease or sublease unless Lender or such purchaser shall give written notice thereof to such occupant, tenant or subtenant.

5.20 Release. Unless Lender otherwise consents in writing, the Mortgaged Property or any part thereof will not be released until all indebtedness and obligations of Borrower under the Loan Documents have been paid and performed in full.

5.21 Local Law Provisions. The terms and provisions set forth in Appendix A attached hereto are hereby incorporated by reference as though fully set forth herein. In the event of any conflict between the terms and provisions contained in the body of this Mortgage and the terms and provisions set forth in Appendix A, the terms and provisions set forth in Appendix A shall govern and control.

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]



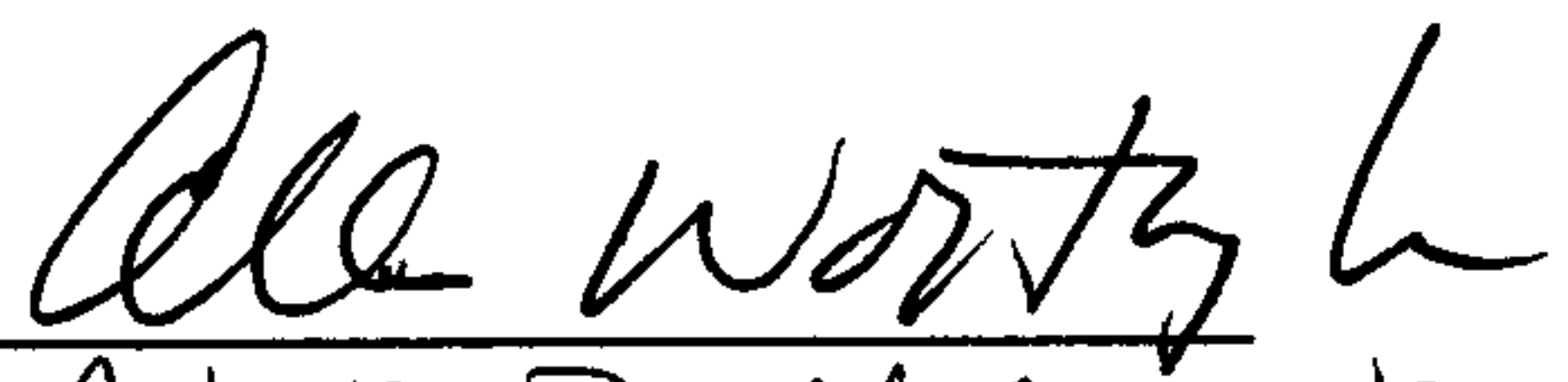
IN WITNESS WHEREOF, Borrower has executed this Mortgage as of the date first written above.


BORROWER:

STV ONE NINETEEN SENIOR LIVING, LLC, a
Delaware limited liability company

By: STV One Nineteen Senior Living Mezzanine
Borrower, LLC, a Delaware limited liability
company

By: Dominion Partners, LLC, an Alabama
limited liability company, its Manager

By: 
Name: Allan D. Worthington
Title: Authorized Agent


20131230000496550 20/26 \$33090.00
Shelby Cnty Judge of Probate, AL
12/30/2013 03:33:51 PM FILED/CERT

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned authority, a Notary Public in and for said County, in said State, hereby certify that Allan Worthington whose name as Authorized Agent of Dominion Partners, LLC, an Alabama limited liability company, as Manager of STV One Nineteen Senior Living Mezzanine Borrower, LLC, a Delaware limited liability company, as sole member of **STV ONE NINETEEN SENIOR LIVING, LLC**, a Delaware limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, in his capacity as such Authorized Agent and with full authority, executed the same voluntarily for and as the act of said limited liability company, on the day the same bears date.

Given under my hand this the 22 day of December, 2013.

[NOTARIAL SEAL]



Notary Public
My Commission Expires: 06-23-2015

Exhibit A

Legal Description

PARCEL I

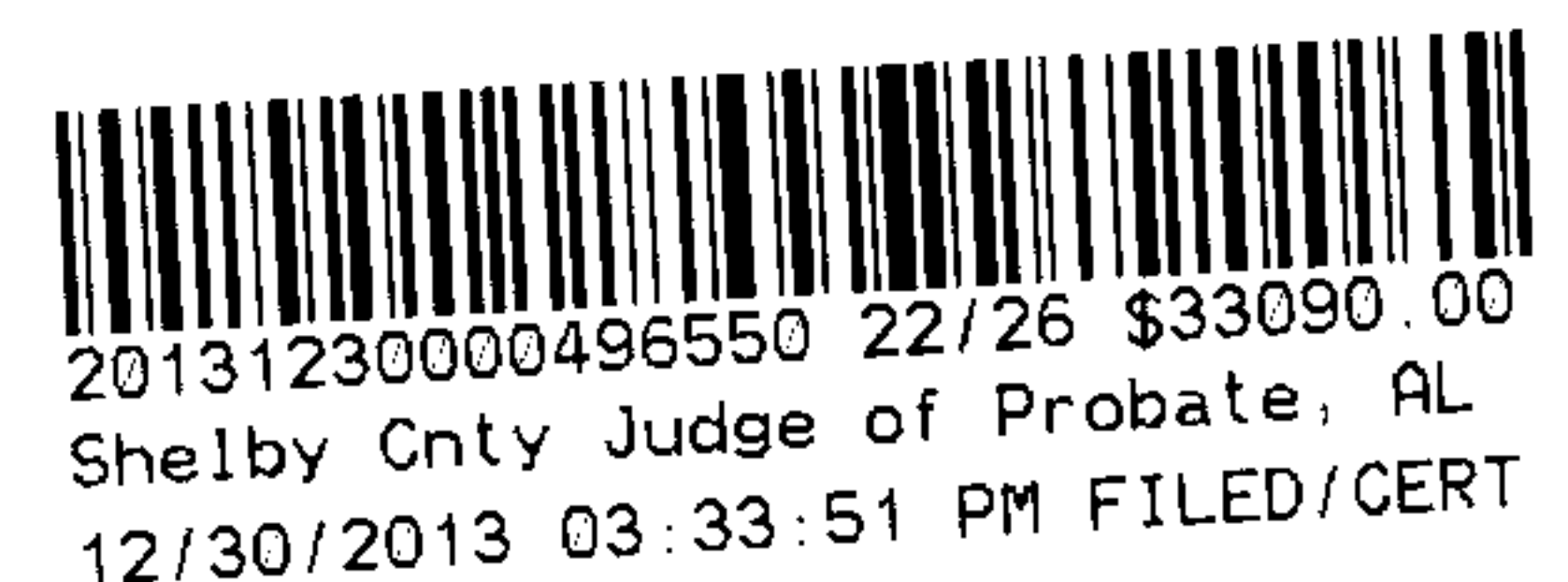
Lot 1-B according to St. Vincent's Hospital Highway No. 119 Survey as recorded in Map Book 39, Page 103 in the office of the Judge of Probate of Shelby County, Alabama and situated in the NW 1/4 and the NE 1/4 of Section 32, Township 18 South, Range 1 West Shelby County, Alabama and being more particularly described as follows:

Begin at the Southeasterly Corner of Lot 1-B, St. Vincent's Hospital Highway No. 119 Survey as recorded in Map Book 39, Page 103 in the office of the Judge of Probate of Shelby County, Alabama, said point being on the Northerly right-of-way line of Greystone Way as recorded in Map Book 29, Page 123 in the office of the Judge of Probate of Shelby County, Alabama, and run in a Northeasterly direction along the boundary of said Lot 1-B a distance of 569.13 feet to a point; thence $3^{\circ}53'00''$ to the left in a Northeasterly direction along the boundary of said Lot 1-B a distance of 424.81 feet to a point; thence $76^{\circ}04'07''$ to the left in a Northwesterly direction along the boundary of said Lot 1-B a distance of 352.05 feet to a point; thence $58^{\circ}04'29''$ to the left in a Southwesterly direction along the boundary of said Lot 1-B a distance of 72.43 feet to a point on a curve to the right having a radius of 655.00 feet and a central angle of $47^{\circ}12'36''$; thence $78^{\circ}56'03''$ to the left (angle measured to tangent) in a Southeasterly, Southerly and Southwesterly direction along the arc of said curve and along the boundary of said Lot 1-B a distance of 539.70 feet to the P.T. (Point of Tangent) of said curve; thence tangent to said curve in a Southwesterly direction along the boundary of said Lot 1-B a distance of 39.65 feet to a point; thence $90^{\circ}00'00''$ to the right in a Northwesterly direction along the boundary of said Lot 1-B a distance of 25.00 feet to a point; thence $90^{\circ}00'00''$ to the left in a Southwesterly direction along the boundary of said Lot 1-B a distance of 70.27 feet to the P.C. (Point of Curve) of a curve to the right having a radius of 517.00 feet and a central angle of $24^{\circ}29'13''$; thence in a Southwesterly direction along the arc of said curve and along the boundary of said Lot 1-B a distance of 220.95 feet to the P.R.C. (Point of Reverse Curve) of a curve to the left having a radius of 370.50 feet and a central angle of $23^{\circ}26'54''$; thence in a Southwesterly direction along the arc of said curve and along the boundary of said Lot 1-B a distance of 151.63 feet to the P.T. (Point of Tangent) of said curve; thence tangent to said curve in a Southwesterly direction along the boundary of said Lot 1-B a distance of 72.81 feet to a point on the Northerly right-of-way line of Greystone Way; thence $91^{\circ}09'24''$ to the left in a Southeasterly direction along the Northerly right-of-way line of Greystone Way and along the boundary of said Lot 1-B a distance of 207.31 feet to the P.C. (Point of Curve) of a curve to the left having a radius of 410.00 feet and a central angle of $43^{\circ}51'30''$; thence in a Southeasterly, Easterly, and Northeasterly direction along the Northerly right-of-way line of Greystone Way, along the arc of said curve and along the boundary of said Lot 1-B a distance of 313.84 feet to the POINT OF BEGINNING.


Containing 8.990 acres.

PARCEL II

Together with an easement for ingress and egress as described in that certain Restrictive Covenant and Reciprocal Easement Agreement between Seton Property Corporation of North Alabama and STV One



Nineteen Senior Living, LLC dated December 28, 2007 and recorded in Instrument No. 20071228000583600, as amended by First Amendment to Restrictive and Reciprocal Easement Agreement in Instrument No. 20111221000387420.



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Exhibit B

Description of Personal Property


(a) All personal property (including but not limited to all goods, supplies, equipment, furniture, furnishings, fixtures, machinery, inventory and construction materials) in which Borrower now or hereafter acquires an interest or right, including that which is now or hereafter located on or affixed to the Premises or the Improvements or used or useful in the operation, use or occupancy thereof or the construction of any Improvements thereon, together with any interest of Borrower in and to personal property which is leased or subject to any superior security interest, and all books, records, software and software systems, leases and other agreements, documents and instruments of whatever kind or character, relating to the Premises, Improvements or such personal property;

(b) All fees, income, rents, issues, profits, earnings, receipts, royalties, and revenues which, after the date of this Mortgage and while any portion of the Obligations remains unpaid or unperformed, may accrue from such personal property or any part thereof or from the Premises, the Improvements or any other part of the Mortgaged Property, or which may be received or receivable by Borrower from any hiring, using, letting, leasing, subhiring, subletting, subleasing, occupancy, operation or use thereof;

(c) All of Borrower's present and future rights to receive payments of money, services or property, including, without limitation, rights to all deposits from tenants or occupants of the Premises or Improvements, rights to letters of credit, rights to receive capital contributions or subscriptions from Borrower's members, partners or shareholders, amounts payable on account of sale of interests in Borrower or the capital stock of Borrower, accounts and other accounts receivable (including health-care-insurance receivables), deposit accounts wherever located, chattel paper including electronic chattel paper, notes, drafts, contract rights, instruments, general intangibles including payment intangibles, investment property, commercial tort claims, supporting obligations, and principal, interest and payments due on account of goods sold or leased, services rendered, loans made or credit extended, together with title to or interest in all agreements, documents and instruments evidencing, securing or guarantying the same;

(d) All other intangible property and rights relating to the Premises, the Improvements, the personal property described in Paragraph (a) above or the operation, occupancy or use thereof, including but not limited to all governmental and non-governmental permits, licenses, and approvals relating to construction on or operation, occupancy or use of the Premises or Improvements, all names under or by which the Premises or Improvements may at any time be operated or known, all rights to carry on business under any such names or any variant thereof, all trade names and trademarks relating in any way to the Premises or the Improvements, and all good will in any way relating to the Premises or the Improvements;

(e) All of Borrower's trade names, trademarks, goodwill, patents, patent applications, copyrights, deposit accounts, licenses, and franchises ("General Intangibles");



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(f) Borrower's rights under all insurance policies covering the Premises, the Improvements, the Personal Property, and the other parts of the Mortgaged Property and any and all proceeds, loss payments and premium refunds payable regarding the same;

(g) All reserves, deferred payments, deposits, refunds, cost savings, and payments of any kind relating to the construction of any Improvements on the Premises;

(h) All water stock relating to the Premises;

(i) All causes of action, claims, compensation and recoveries for any damage to, destruction of or condemnation or taking of the Premises, the Improvements, the Personal Property or any other part of the Mortgaged Property, or for any conveyance in lieu thereof, whether direct or consequential, or for any damage or injury to the Premises, the Improvements, the Personal Property or any other part of the Mortgaged Property, or for any loss or diminution in value of the Premises, the Improvements, the Personal Property or any other part of the Mortgaged Property;

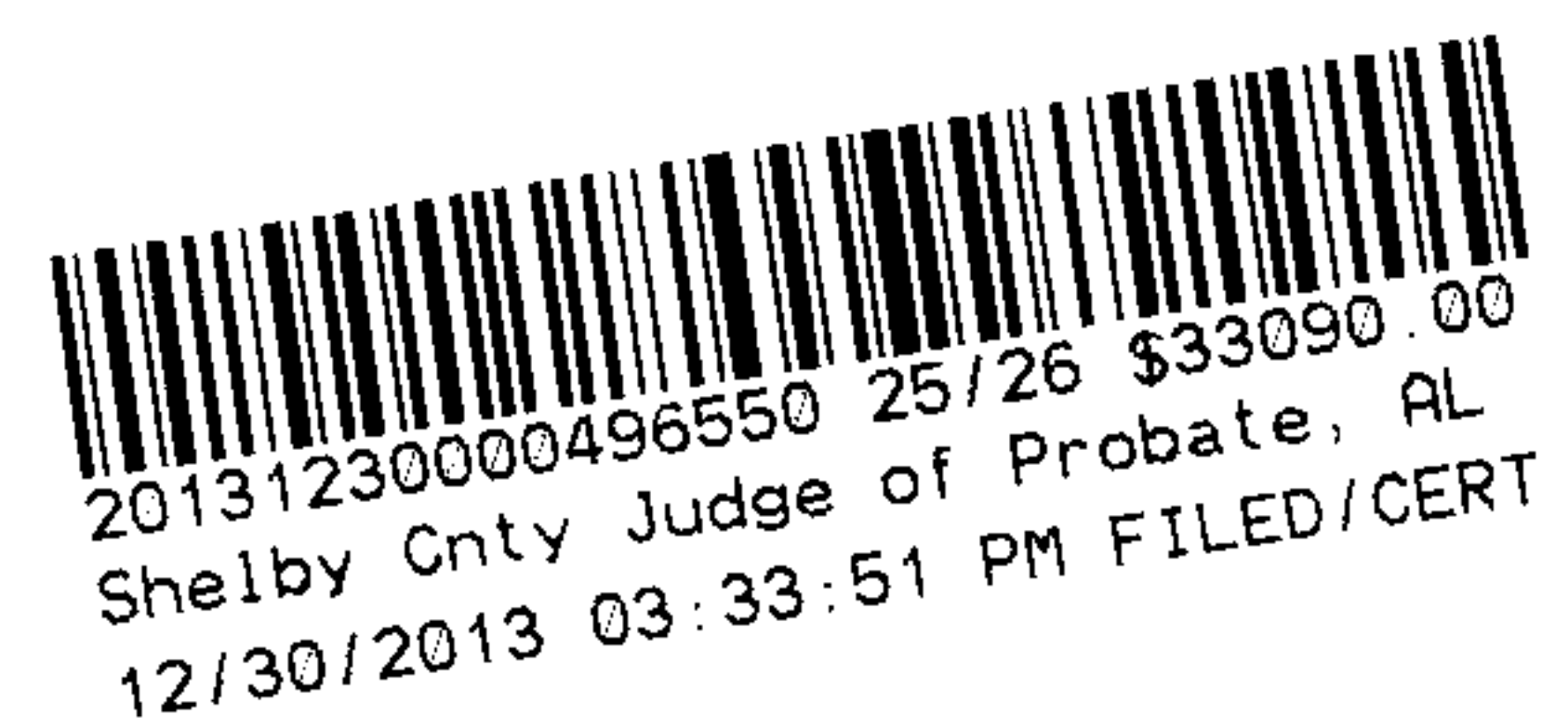
(j) All architectural, structural, mechanical and engineering plans and specifications prepared for construction of Improvements or extraction of minerals or gravel from the Premises and all studies, data and drawings related thereto, and also all contracts and agreements of Borrower relating to such plans and specifications or to such studies, data and drawings or to the construction of Improvements on or extraction of minerals or gravel from the Premises;

(k) All proceeds from sale or disposition of any of such collateral;

(l) All Borrower's rights in proceeds of the loan evidenced by the Note; and

(m) All proceeds and products of any of the foregoing.

As used in this Exhibit B the terms "Premises", "Improvements", and "Personal Property" have the meanings set forth in the Mortgage to which this Exhibit B is attached.




Appendix A

Local Law Provisions

1. Principles of Construction. In the event of any inconsistencies between the terms and conditions of this Appendix A and the terms and conditions of this Mortgage, the terms and conditions of this Appendix A shall control and be binding.
2. Lender's Power of Sale. If an Event of Default shall have occurred, Lender may sell the Mortgaged Property at public outcry to the highest bidder for cash in front of the Courthouse door in the county where the Mortgaged Property is located, either in person or by auctioneer, after having first given notice of the time, place and terms of sale by publication once a week for three (3) successive weeks prior to such sale in a general circulation newspaper published in such county, and, upon payment of the purchase money, Lender or any person conducting the sale for Lender is authorized to execute to the purchaser at such sale a deed to the premises so purchased. Lender may bid at such sale and purchase such premises, or any part thereof, if the highest bidder therefor. At the foreclosure sale the Mortgaged Property may be offered for sale and sold as a whole without first offering it in any other manner or may be offered for sale and sold in any other manner Lender may elect.

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