


THIS SECURITY INSTRUMENT
WAS PREPARED BY, AND UPON
RECORDING SHOULD BE
RETURNED TO:

Dwight L. Mixson, Jr.
Burr & Forman LLP
420 North 20th Street
Suite 3400
Birmingham, Alabama 35203
Telephone: (205) 251-3000



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MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING (this “**Security Instrument**”), is made as of the 7th day of May, 2020, by and between **HOOVER AL INVESTORS, LLC**, a Virginia limited liability company (together with its successors and assigns “**Borrower**”), whose address is c/o Smith Packett Med-Com, LLC, 4423 Pheasant Ridge Road, Suite 301, Roanoke, Virginia 24014, Attention: Hunter D. Smith, in favor of **SYNOVUS BANK**, a Georgia state banking corporation, as administrative agent and mortgagee (together with its successors and assigns as mortgagee, “**Administrative Agent**”), 800 Shades Creek Parkway, Suite 325, Birmingham, Alabama 35209, Attention: Seniors Housing and Healthcare Lending.

RECITALS

A. Borrower has entered into a Loan Agreement (hereinafter defined) with Administrative Agent and the Lenders (as defined therein) from time to time parties thereto, and pursuant to such Loan Agreement has agreed to borrow from Lenders the principal sum of up to Thirty-Six Million Nine Hundred Sixty-Seven Thousand Six Hundred Seventy-Seven and No/100 Dollars (\$36,967,677.00) which is evidenced by one or more Promissory Notes of even date herewith from Borrower in such aggregate principal amount. Such loan or loans to Borrower made pursuant to a Loan Agreement are referred to collectively as the “**Loan.**” The Promissory Notes evidencing the Loan to Borrower, including all schedules, riders, allonges, endorsements, addenda or amendments, and together with any renewals, replacements, substitutions or extensions thereof, are collectively referred to as the “**Note.**”

B. As a condition precedent to making the Loan, Administrative Agent and Lenders have required that Borrower execute this Security Instrument as security for the Loan and the other Loan Obligations (as hereinafter defined).

GRANTING CLAUSES

NOW, THEREFORE, for and in consideration of the Loan Obligations (including any future advances), and to secure the prompt payment thereof, and any extensions or renewals of same, and further to secure all other indebtedness, fees, premiums (if any), charges, and expenses from time to time owing to Lender pursuant to the Note, this Security Instrument, the Loan Agreement and all other Loan Documents and further to secure the performance of the covenants, conditions and agreements as hereinafter set forth and as set forth in the Loan Documents, Borrower does hereby irrevocably **GRANT, BARGAIN, SELL, CONVEY, ALIEN, REMISE, RELEASE, ASSIGN, TRANSFER, MORTGAGE, HYPOTHECATE, PLEDGE, DELIVER, SET OVER, WARRANT AND CONFIRM** unto Administrative Agent, its successors and assigns forever, for its benefit and the benefit of Lenders, and grants to Administrative Agent, for its benefit and the benefit of Lenders, a security interest in and to the Mortgaged Property (as hereinafter defined).

TO HAVE AND TO HOLD the Mortgaged Property and all parts thereof unto Administrative Agent, its successors and assigns forever, subject however to the terms and conditions herein:

PROVIDED, HOWEVER, that if Borrower shall pay to Administrative Agent and Lenders all of the entire Loan Obligations and other amounts secured hereby, at the times and in the manner stipulated herein, in the Note (as hereinafter defined) and in the other Loan Documents (as hereinafter defined), all without any deduction or credit for taxes or other similar charges paid by Borrower, and Borrower shall keep, perform and observe and cause all other obligated parties to, keep, perform, and observe all and singular the covenants and promises herein, in the Note and in each of the other Loan Documents to be kept, performed, and observed, all without fraud or delay, and any option or right of Borrower to obtain additional advances from Lenders shall have terminated, then this Security Instrument, and all the properties, interests, and rights hereby granted, bargained, and sold shall cease, terminate, and be void, but shall otherwise remain in full force and effect.

AGREEMENT

AND Borrower and Administrative Agent covenant and agree as follows:

1. **Definitions.** The following terms, when used in this Security Instrument (including when used in the above recitals), shall have the following meanings:

(a) **"1933 Act"** has the meaning given to that term in Section 15.

(b) **"Accounts"** has the meaning given such term in the UCC, and includes, without limitation, any rights of Borrower arising from the operation of the Facility or other parts of the Mortgaged Property to payment for goods sold or leased or for services rendered, not evidenced by an Instrument, including, without limitation, (i) all accounts arising from the operation of the Facility (ii) all moneys and accounts, if any, held by Administrative Agent or any Lender pursuant to this Security Instrument or any other Loan Document, (iii) all rights to payment from state or federal programs, boards, bureaus or agencies, and rights to payment from residents, private insurers, and others arising from the operation of the Facility, including rights



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to payment pursuant to Reimbursement Contracts, (iv) receivables arising out of the use of a debit, credit or charge card or information contained on or for use with the card, (v) any and all "health-care insurance receivables" (as defined in the UCC), (vi) Supporting Obligations, letter-of-credit rights and letters of credit given by any Person with respect to any of the foregoing, and (vii) all books and records in whatever media (paper, electronic or otherwise) recorded or stored, with respect to any or all of the foregoing and all equipment and general intangibles necessary or beneficial to retain, access and/or process the information contained in those books and records. Accounts shall include the Proceeds thereof.

(c) **"Administrative Agent"** means the entity identified as "Administrative Agent" in the first paragraph of this Security Instrument.

(d) **"Affiliate"** means, with respect to any Person, (i) each Person that controls, is controlled by or is under common control with such Person, (ii) each Person that, directly or indirectly, owns or controls, whether beneficially or as a trustee, guardian or other fiduciary, any of the Stock of such Person, and (iii) each of such Person's officers, directors, members, joint venturers and partners.

(e) **"Appurtenant Rights"** means all air rights, development rights, zoning rights, easements, rights-of-way, strips and gores of land, vaults, streets, roads, alleys, tenements, passages, sewer rights, waters, water courses, water rights and powers, minerals, flowers, shrubs, crops, trees, timber and other emblements now or hereafter appurtenant to, or used or useful in connection with, or located on, under or above the Land, or any part or parcel thereof, and all ground leases, estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances, reversions, and remainders whatsoever, in any way belonging, relating or appertaining to the Land, or any part thereof, now or hereafter.

(f) **"Assignment of Leases and Rents"** means that certain Assignment of Leases and Rents of even date herewith executed by Borrower to Administrative Agent for the benefit of Administrative Agent and Lenders, together with all amendments and supplements thereto.

(g) **"Assignment of Licenses"** means that certain Assignment of Licenses, Permits and Contracts of even date herewith executed by Borrower and Hoover Operations, LLC, a Virginia limited liability company, to Administrative Agent for the benefit of Administrative Agent and Lenders, together with all amendments and supplements thereto.

(h) **"Bankruptcy Code"** means the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq., as amended, and any successor or replacement legislation relating to relief of debtors.

(i) **"Borrower"** means Hoover AL Investors, LLC, a Virginia limited liability company.

(j) **"Business Day"** means a day, other than Saturday, Sunday or legal holidays, when Administrative Agent is open for business.



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(k) **"Chattel Paper"** has the meaning given such term in the UCC, and includes, without limitation, a record or records (including, without limitation, electronic chattel paper) which evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, or a lease of specific goods; all Supporting Obligations with respect thereto; any returned, rejected or repossessed goods and software covered by any such record or records and all proceeds (in any form including, without limitation, accounts, contract rights, documents, chattel paper, instruments and general intangibles) of such returned, rejected or repossessed goods; and all proceeds (cash proceeds and noncash proceeds) of the foregoing.

(l) **"Condemnation"** has the meaning given to that term in Section 12.

(m) **"Contracts"** means all license agreements, operating contracts, and all management, service, employment, supply and maintenance contracts and agreements, and any other agreements, licenses or contracts of any nature whatsoever now or hereafter obtained or entered into by Borrower with respect to the acquisition, construction, renovation, expansion, ownership, occupancy, use, operation, maintenance and administration of the Facility and/or the Mortgaged Property, including, without limitation, (i) any and all contracts, authorizations, agreements and/or consents executed by, or on behalf of any resident or other Person seeking services from Borrower pursuant to which Borrower provides or furnishes independent living, assisted living and memory care facility services and related services at the Facility, including the consent to treatment and assignment of payment of benefits by third party and (ii) any and all contracts between Borrower and any resident of the Facility giving the resident certain rights of occupancy in the Facility and providing for certain services to such resident.

(n) **"Default Rate"** has the meaning given to that term in the Loan Agreement.

(o) **"Deposit Accounts"** has the meaning given such term in the UCC.

(p) **"Equipment"** has the meaning given such term in the UCC, and includes, without limitation, all beds, linen, televisions, carpeting, telephones, cash registers, computers, lamps, glassware, rehabilitation equipment, restaurant and kitchen equipment, and other fixtures and equipment of Borrower (including, without limitation, embedded software) located on, attached to or used or useful in connection with any of the Mortgaged Property or the Facility and all renewals and replacements thereof and substitutions therefor; provided, however, that with respect to any items which are leased for the benefit of the Facility or other Mortgaged Property and not owned by Borrower, the Equipment shall include the leasehold interest only of Borrower together with any options to purchase any of said items and any additional or greater rights with respect to such items which Borrower may hereafter acquire, but the foregoing shall not be construed to mean that such leasing shall be permitted hereunder and under the other Loan Documents.

(q) **"Event of Default"** means the occurrence of any event listed in Section 14.



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(r) **“Facility”** means the independent living, assisted living and memory care facility to be constructed on the Land, as the same may from time to time exist, together with any other general or specialized care facilities, if any, now or hereafter operated on the Land.

(s) **“Fixtures”** means all property which is now or hereafter so attached to the Land or the Improvements as to constitute a fixture under applicable law and all renewals and replacements thereof and substitutions therefor, including, without limitation: machinery, equipment, engines, boilers, incinerators, installed building materials; systems and equipment for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air, or light; antennas, cable, wiring and conduits used in connection with radio, television, security, fire prevention, or fire detection or otherwise used to carry electronic signals; telephone systems and equipment; elevators and related machinery and equipment; fire detection, prevention and extinguishing systems and apparatus; security and access control systems and apparatus; plumbing systems; water heaters, ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposers, washers, dryers and other appliances; light fixtures, awnings, storm windows and storm doors; pictures, screens, blinds, shades, curtains and curtain rods; mirrors; cabinets, paneling, rugs and floor and wall coverings; fences, trees and plants; and exercise equipment.

(t) **“General Intangibles”** has the meaning given such term in the UCC, and includes, without limitation, all intangible personal property of Borrower arising out of or connected with the Mortgaged Property or the Facility and all renewals and replacements thereof and substitutions therefor (other than Accounts, Rents, Instruments, Inventory, Money, Permits and Reimbursement Contracts), including, without limitation, things in action, contract rights and other rights to payments of Money, commercial tort claims, other claims (including without limitation all claims for income tax and other refunds), payment intangibles and Supporting Obligations.

(u) **“Governmental Authority”** means any board, commission, department or body of any municipal, county, state or federal governmental unit, or any subdivision of any of them, that has or acquires jurisdiction over the Mortgaged Property and/or the Improvements or the use, operation or improvement of the Mortgaged Property.

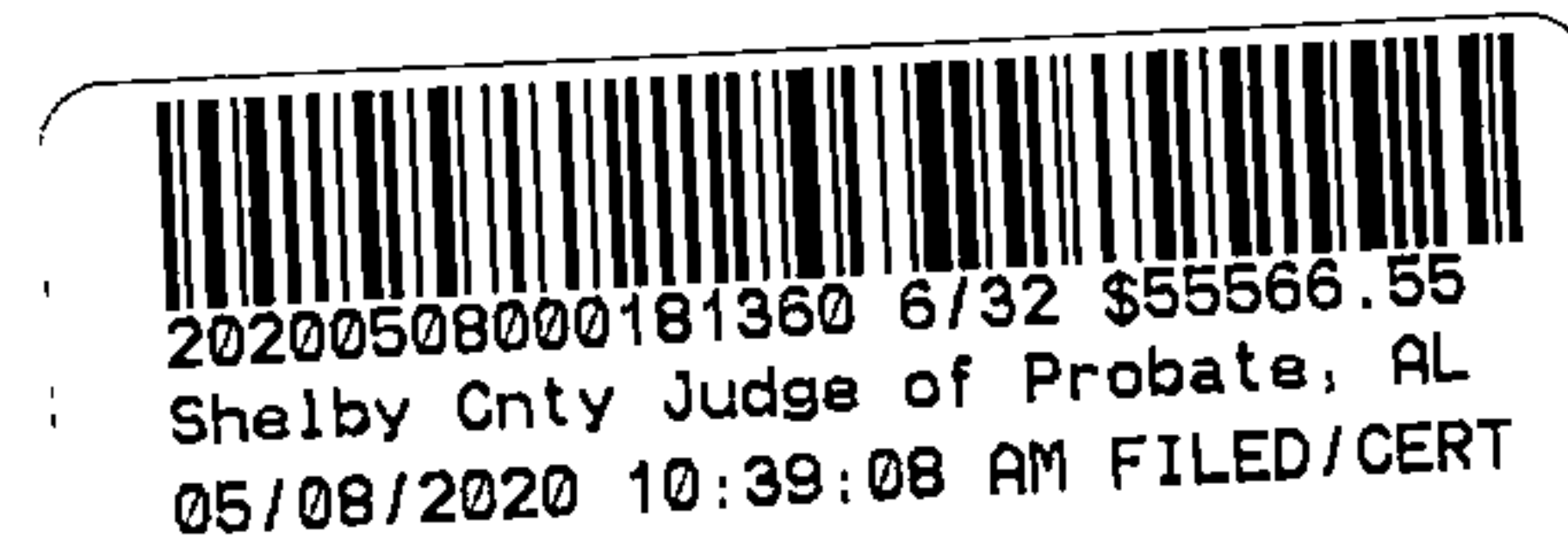
(v) **“Guarantor”** means, individually and collectively, Hunter D. Smith and James R. Smith.

(w) **“Guaranty Agreement”** means that certain Payment and Performance Guaranty Agreement of even date herewith executed by each Guarantor to Administrative Agent for the benefit of Administrative Agent and Lenders, in each case together with all amendments and supplements thereto.

(x) **“Imposition Deposits”** has the meaning given to such term in Section 4.

(y) **“Impositions”** has the meaning given to such term in Section 4

(z) **“Improvements”** means all buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, including but not limited to, all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators and motors, plumbing and heating fixtures, carpeting and other floor coverings, water heaters,



awnings and storm sashes, and cleaning apparatuses which are or shall be attached to the Land or said buildings, structures or improvements.

(aa) **"Instruments"** has the meaning given such term in the UCC, and includes, without limitation, all instruments, Chattel Paper, documents or other writings obtained by Borrower from or in connection with the ownership and operation of the Mortgaged Property or the construction, ownership and operation of the Facility (including without limitation, all ledger sheets, computer records and printouts, data bases, programs, books of account, software, trademarks or trade names, utility contracts, maintenance and service contracts and files of Borrower relating thereto).

(bb) **"Inventory"** has the meaning given such term in the UCC, and includes, without limitation, all inventories of food, beverages and other comestibles owned and held by Borrower for sale or use at or from the Mortgaged Property or the Facility, and soap, paper supplies, medical supplies, drugs and all other such goods, wares and merchandise held by Borrower (including, without limitation, embedded software) for sale to or for consumption by residents or guests of the Mortgaged Property or the Facility and all such other goods returned to or repossessed by Borrower.

(cc) **"Investment Property"** has the meaning given such term in the UCC, and includes, without limitation, a security, whether certificated or uncertificated, security entitlement, securities account, commodity contract, or commodity account, and all proceeds (cash proceeds and noncash proceeds) of, and Supporting Obligations with respect to, the foregoing.

(dd) **"Land"** means the land described in Exhibit "A" attached hereto and incorporated herein.

(ee) **"Leases"** means all present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Mortgaged Property and/or the Facility, or any portion of the Mortgaged Property and/or the Facility and all modifications, extensions or renewals thereof.

(ff) **"Lenders"** means each Lender from time to time pursuant to, and as defined in, the Loan Agreement.

(gg) **"Lien"** means any voluntary or involuntary mortgage, security deed, deed of trust, lien, pledge, assignment, security interest, title retention agreement, financing lease, levy, execution, seizure, judgment, attachment, garnishment, charge or other encumbrance of any kind, including those contemplated by or permitted in this Security Instrument, the Loan Agreement and the other Loan Documents.

(hh) **"Loan"** has the meaning given to that term in the Recitals.

(ii) **"Loan Agreement"** means that certain Loan Agreement of even date herewith by and between Borrower, Administrative Agent and Lenders, together with all amendments and supplements thereto.

(jj) **“Loan Documents”** shall have the meaning given such term in the Loan Agreement.

(kk) **“Loan Obligations”** means the aggregate of all principal and interest owing from time to time under the Note, and all expenses, indebtedness, charges and other amounts from time to time owing under the Note, the Loan Agreement, this Security Instrument or any of the other Loan Documents, including, without limitation, prepayment premiums, late charges, default interest and advances to protect the security of this Security Instrument under Section 7 if any, and the performance of all covenants, agreements and other obligations from time to time owing to, or for the benefit of, Administrative Agent or any Lender pursuant to the Loan Documents.

(ll) **“Managed Care Plans”** means any health maintenance organization, preferred provider organization, individual practice association, competitive medical plan, or similar arrangement, entity, organization, or Person.

(mm) **“Money”** means all monies, cash, rights to Deposit Accounts, or other items of legal tender obtained from or for use in connection with the operation of the Mortgaged Property or the Facility.

(nn) **“Mortgaged Property”** means all of Borrower’s present and future right, title and interest in and to all of the following, provided that if any of the following capitalized terms are defined in the UCC, each such term shall have the meaning given such term in the UCC and shall include, without limitation, the additional items set forth in this Security Instrument with respect to such term:

- (i) the Land;
- (ii) all Appurtenant Rights;
- (iii) all Equipment;
- (iv) all Improvements;
- (v) all Fixtures;
- (vi) all Accounts;
- (vii) all Deposit Accounts;
- (viii) all Contracts;
- (ix) all General Intangibles;
- (x) all Permits (to the extent assignable);
- (xi) all Money;
- (xii) all Instruments;



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- (xiii) all Inventory;
- (xiv) all Reimbursement Contracts;
- (xv) all Rents;
- (xvi) all Personalty;
- (xvii) all Leases;
- (xviii) all Chattel Paper;
- (xix) all Supporting Obligations;
- (xx) all Investment Property;
- (xxi) all Proceeds;
- (xxii) all Imposition Deposits;

(xxiii) all contracts, options and other agreements for the sale of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Mortgaged Property entered into by Borrower now or in the future, including cash or securities deposited to secure performance by parties of their obligations;

(xxiv) all refunds or rebates of Impositions by any municipal, state or federal authority or insurance company (other than refunds applicable to periods before the real property tax year in which this Security Instrument is dated);

(xxv) all names under or by which any of the above Mortgaged Property may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Mortgaged Property; and

(xxvi) all renewals, replacements and Proceeds of any of the foregoing and any substitutions therefor.

(oo) **"Note"** has the meaning given to that term in the recitals.

(pp) **"Notice"** has the meaning given to that term in Section 24.

(qq) **"Permits"** means all licenses, permits and certificates used or necessary in connection with the construction, ownership, operation, use or occupancy of the Mortgaged Property and/or the Facility, including, without limitation, land disturbance permits, building permits, business licenses, state health department licenses, food service licenses, licenses to conduct business, independent living facility licenses (if any), assisted living and memory care facility licenses, certificates of need and all such other permits, licenses and rights, obtained from any governmental, quasi-governmental or private Person whatsoever concerning ownership, operation, use or occupancy.



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(rr) **"Permitted Encumbrances"** has the meaning given to that term in the Loan Agreement.

(ss) **"Person"** means any natural person, firm, trust, corporation, partnership, limited liability company and any other form of legal entity.

(tt) **"Personalty"** means all Equipment, Inventory, General Intangibles which are used now or in the future in connection with the ownership, management or operation of the Land or the Improvements or are located on the Land or in the Improvements, including furniture, furnishings, machinery, building materials, appliances, goods, supplies, tools, books, records (whether in written or electronic form), computer equipment (hardware and software) and other tangible personal property (other than Fixtures) which are used now or in the future in connection with the ownership, management or operation of the Land or the Improvements or are located on the Land or in the Improvements, and any operating agreements relating to the Land or the Improvements, and any surveys, plans and specifications and contracts for architectural, engineering and construction services relating to the Land or the Improvements and all other intangible property and rights relating to the operation of, or used in connection with, the Land or the Improvements, including all governmental Permits relating to any activities on the Land.

(uu) **"Prior Lien"** has the meaning given to that term in Section 27.

(vv) **"Proceeds"** means all awards, payments, earnings, royalties, issues, profits, liquidated claims and proceeds (including proceeds of insurance and condemnation and any conveyance in lieu thereof), whether cash or noncash, moveable or immoveable, tangible or intangible, from the sale, conversion (whether voluntary or involuntary), exchange, transfer, collection, loss, damage, condemnation, disposition, substitution or replacement of any of the Mortgaged Property.

(ww) **"Property Jurisdiction"** means the jurisdiction in which the Mortgaged Property is located.

(xx) **"Reimbursement Contracts"** means all third-party reimbursement contracts for the Facility which are now or hereafter in effect with respect to residents qualifying for coverage under the same, including state or federal reimbursement programs, Managed Care Plans and private insurance agreements, and any successor program or other similar reimbursement program and/or private insurance agreements, now or hereafter existing.

(yy) **"Rents"** means all rent and other payments of whatever nature from time to time payable pursuant to the Leases (including, without limitation, rights to payment earned under leases for space in the Improvements for the operation of ongoing retail businesses such as newsstands, barbershops, beauty shops, physicians' offices, pharmacies and specialty shops).

(zz) **"Single-Purpose Entity"** means a Person which owns no interest or property other than the Mortgaged Property or interests in Borrower.

(aaa) **"Stock"** means all shares, options, warrants, general or limited partnership interests, membership interests, participations or other equivalents (regardless of how

designated) in a corporation, limited liability company, partnership or any equivalent entity, whether voting or nonvoting, including, without limitation, common stock, preferred stock, or any other "equity security" (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended).

(bbb) **"Supporting Obligations"** has the meaning given such term in the UCC, and includes, without limitation, a letter-of-credit right, secondary obligation, or obligation of a secondary obligor, or secondary obligation that supports the payment or performance of an Account, Chattel Paper, a document, a General Intangible, an Instrument, or Investment Property.

(ccc) **"Taxes"** means all taxes, assessments, vault rentals and other charges, if any, general, special or otherwise, including all assessments for schools, public betterments and general or local improvements, which are levied, assessed or imposed by any public authority or quasi-public authority, and which, if not paid, will become a lien, on the Land or the Improvements.

(ddd) **"Transfer"** means the conveyance, assignment, sale, transfer, mortgaging, collateral assignment, encumbrance, pledging, alienation, hypothecation, granting of a security interest in, granting of options with respect to, or other disposition of (directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, and whether or not for consideration or of record) all or any portion of any legal or beneficial interest (i) in all or any portion of the Mortgaged Property (other than Permitted Encumbrances); (ii) in the Stock of Borrower; or (iii) in the Stock of any member of Borrower. The term "Transfer" shall also include, without limitation, the following: an installment sales agreement wherein Borrower agrees to sell the Mortgaged Property or any part thereof or any interest therein for a price to be paid in installments; an agreement by Borrower leasing all or a substantial part of the Mortgaged Property to one or more Persons pursuant to a single transaction or related transactions, or a sale, assignment or other transfer of, or the grant of a security interest in, Borrower's right, title and interest in and to any Leases or any Rents; any instrument subjecting the Mortgaged Property to a condominium regime or transferring ownership to a cooperative corporation or other form of multiple ownership or governance; the dissolution or termination of Borrower; the issuance of new Stock in Borrower or any member of Borrower; or the merger or consolidation with any other Person of Borrower if either (A) Borrower is not the surviving entity or (B) the same results in a change of ownership of Stock except to the extent expressly permitted by the Loan Agreement.

(eee) **"UCC"** has the meaning given to that term in Section 2.

(fff) **"UCC Collateral"** has the meaning given to that term in Section 2.

2. **Uniform Commercial Code Security Agreement.** This Security Instrument is also a security agreement under the Uniform Commercial Code as in effect from time to time in the State of Alabama (the **"UCC"**) for any of the Mortgaged Property which, under applicable law, may be subject to a security interest under the UCC, whether acquired now or in the future, and all products and cash and non-cash Proceeds thereof (collectively, **"UCC Collateral"**), and



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Borrower hereby grants to Administrative Agent for its benefit and the benefit of Lenders a security interest in the UCC Collateral. Borrower hereby authorizes Administrative Agent to file financing statements, continuation statements and financing statement amendments in such form as Administrative Agent may require to perfect or continue the perfection of this security interest, including, at Administrative Agent's option, an "all assets" filing, and Borrower agrees, if Administrative Agent so requests, to execute and deliver to Administrative Agent such financing statements, continuation statements and amendments. Borrower shall pay all filing costs and all costs and expenses of any record searches for financing statements that Administrative Agent may require. Without the prior written consent of Administrative Agent, Borrower shall not create or permit to exist any other lien or security interest in any of the UCC Collateral. If an Event of Default has occurred and is continuing, Administrative Agent shall have the remedies of a secured party under the UCC, in addition to all remedies provided by this Security Instrument or existing under applicable law. In exercising any remedies, Administrative Agent may exercise its remedies against the UCC Collateral separately or together and in any order, without in any way affecting the availability of Administrative Agent's other remedies hereunder and/or under applicable law. The terms "sign," "signed" and "signatures" shall have their ordinary meanings except that, to the limited extent Administrative Agent in an authenticated record expressly agrees otherwise from time to time in the exercise of its sole and absolute discretion, the terms may also include other methods used to authenticate. Without implying any limitation on the foregoing, with respect to the UCC Collateral that may be perfected by control, Borrower shall take such steps as Administrative Agent may require in order that Administrative Agent may have such control. To the extent that the proceeds of any of the Accounts are expected to become subject to the control of, or in the possession of, a party other than Borrower or Administrative Agent, Borrower shall cause all such parties to execute and deliver on the date of this Security Instrument and from time to time hereafter security documents, financing statements or other documents as requested by Administrative Agent and as may be necessary to evidence and/or perfect the security interest of Administrative Agent in those proceeds. Borrower agrees that a copy of a fully executed security agreement and/or financing statement shall be sufficient to satisfy for all purposes the requirements of a financing statement as set forth in Article 9 of the UCC, and this Security Instrument covers property that is or may become fixtures attached or to be attached to the real property constituting the Land. Further, to the extent permitted by applicable laws, Administrative Agent may file, without Borrower's signature, one or more financing statements or other notices disclosing Administrative Agent's liens and other security interests. All financing statements and notices may describe Administrative Agent's collateral as all assets or all personal property of Borrower. Borrower hereby ratifies and confirms the validity of any and all financing statements filed by Administrative Agent prior to the date of this Security Instrument.

3. **Leases.** Borrower shall not, without the prior written consent and approval of Administrative Agent, enter into any Lease (except for admission of Facility residents and Leases as permitted in the Loan Agreement).

4. **Deposits for Taxes, Insurance and Other Charges.** The provisions of the Section 4 shall become applicable upon Administrative Agent's written notice to Borrower following the occurrence of an Event of Default:



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(a) Borrower shall deposit with Administrative Agent on the day monthly installments of principal and/or interest, or both, are due under the Note (or on another day designated in writing by Lender), until the Loan Obligations are paid in full, an additional amount sufficient to accumulate with Administrative Agent the entire sum required to pay, when due (i) to the extent applicable, the yearly water and sewer charges which may be levied on all or any part of the Mortgaged Property, (ii) the premiums for fire and other hazard insurance, business interruption insurance and such other insurance as Administrative Agent may require under the Loan Agreement, (iii) the yearly Taxes, and (iv) amounts for other charges and expenses which Administrative Agent at any time reasonably deems necessary to protect the Mortgaged Property, to prevent the imposition of liens on the Mortgaged Property, or otherwise to protect Administrative Agent's and Lenders' interests, all as reasonably estimated from time to time by Lender, plus one-sixth of such estimate. The amounts deposited under the preceding sentence are collectively referred to in this Security Instrument as the **"Imposition Deposits."** The obligations of Borrower for which the Imposition Deposits are required are collectively referred to in this Security Instrument as **"Impositions."** The amount of the Imposition Deposits shall be sufficient to enable Administrative Agent to pay each Imposition before the last date upon which such payment may be made without any penalty or interest charge being added plus one-sixth of such estimate. Administrative Agent shall maintain records indicating how much of the monthly Imposition Deposits and how much of the aggregate Imposition Deposits held by Administrative Agent are held for the purpose of paying property taxes, insurance premiums and each other obligation of Borrower for which Imposition Deposits are required. Any waiver by Administrative Agent of the requirement that Borrower remit Imposition Deposits to Administrative Agent may be revoked by Administrative Agent, in Administrative Agent's discretion, at any time upon notice to Borrower.

(b) Imposition Deposits shall be held in an institution (which may be Administrative Agent or any Lender, if Administrative Agent or such Lender is such an institution) whose deposits or accounts are insured or guaranteed by a federal agency. Administrative Agent shall not be obligated to open additional accounts or deposit Imposition Deposits in additional institutions when the amount of the Imposition Deposits exceeds the maximum amount of the federal deposit insurance or guaranty. Administrative Agent shall apply the Imposition Deposits to pay Impositions so long as no Event of Default exists. Unless applicable law requires, Administrative Agent shall not be required to pay Borrower any interest, earnings or profits on the Imposition Deposits. Borrower hereby pledges and grants to Administrative Agent for its benefit and the benefit of Lenders a security interest in the Imposition Deposits as additional security for all of Borrower's obligations under this Security Instrument and the other Loan Documents. Any amounts deposited with Administrative Agent under this Section 4 shall not be trust funds, nor shall they operate to reduce the Loan Obligations, unless applied by Administrative Agent for that purpose under Section 4(e).

(c) Borrower shall direct the applicable Governmental Authority to deliver the invoices and bills for all Impositions to Administrative Agent. If Administrative Agent receives a bill or invoice for an Imposition, Administrative Agent shall pay the Imposition from the Imposition Deposits held by Administrative Agent. Administrative Agent shall have no obligation to pay any Imposition to the extent it exceeds Imposition Deposits then held by Administrative Agent. Administrative Agent may pay an Imposition according to any bill,

statement or estimate from the appropriate public office or insurance company without inquiring into the accuracy of the bill, statement or estimate or into the validity of the Imposition.

(d) If at any time the amount of the Imposition Deposits held by Administrative Agent for payment of a specific Imposition exceeds the amount reasonably deemed necessary by Administrative Agent plus one-sixth of such estimate, the excess shall be credited against future installments of Imposition Deposits. If at any time the amount of the Imposition Deposits held by Administrative Agent for payment of a specific Imposition is less than the amount reasonably estimated by Administrative Agent to be necessary plus one-sixth of such estimate, Borrower shall pay to Administrative Agent the amount of the deficiency within fifteen (15) days after notice from Administrative Agent.

(e) If an Event of Default exists, Administrative Agent may apply any Imposition Deposits, in any amounts and in any order as Administrative Agent determines, in Administrative Agent's discretion to pay any Impositions or as a credit against the Loan Obligations, subject to the provisions of the Loan Agreement. Upon payment in full of the Loan Obligations, Administrative Agent shall refund to Borrower any Imposition Deposits held by Administrative Agent.

5. **Application Of Payments.** If at any time Administrative Agent receives, from Borrower or otherwise, any amount applicable to the Loan Obligations which is less than all amounts due and payable at such time, then Administrative Agent may apply that payment to amounts then due and payable in the manner set forth in the Loan Agreement or, if not specified therein, then in such order and manner as Administrative Agent may elect. Neither Administrative Agent's acceptance of an amount which is less than all amounts then due and payable nor Administrative Agent's application of such payment in the manner authorized in the immediately preceding sentence shall constitute or be deemed to constitute either a waiver of the unpaid amounts or an accord and satisfaction. Notwithstanding the application of any such amount to the Loan Obligations, Borrower's obligations under this Security Instrument, the Loan Agreement and the Note shall remain unchanged.

6. **Use Of Property.** Unless required by applicable law, Borrower shall not (a) except for any change in use approved by Administrative Agent, allow changes in the use for which all or any part of the Mortgaged Property that would be inconsistent with the primary intended use of the Mortgaged Property as set forth in the Loan Agreement, (b) convert any part of the Facility to commercial use, or (c) initiate or acquiesce in a change in the zoning classification of the Land and/or the Facility.

7. **Protection Of Administrative Agent's Security.**

(a) If Borrower fails to perform any of its obligations under this Security Instrument or any other Loan Document, or if any action or proceeding is commenced which purports to affect the Mortgaged Property, Administrative Agent's security or Administrative Agent's rights under this Security Instrument, including eminent domain, insolvency, code enforcement, civil or criminal forfeiture, enforcement of Hazardous Materials Laws, fraudulent conveyance or reorganizations or proceedings involving a bankrupt or decedent, then Administrative Agent at Administrative Agent's option and following notice to Borrower and Borrower's failure to promptly address the same (except that no notice shall be required if Administrative Agent, in its good faith opinion, deems prompt action necessary to protect or preserve the Mortgaged Property or Administrative Agent's rights therein) may make such appearances, disburse such sums and take such actions as Administrative Agent reasonably deems necessary to perform such obligations of Borrower and to protect Administrative Agent's interest, including (i) disbursement of fees and out of pocket expenses of attorneys, accountants, inspectors and consultants, (ii) entry upon the Mortgaged Property to make repairs or secure the Mortgaged Property, (iii) procurement of the insurance coverages required under the Loan Agreement, and (iv) payment of amounts which Borrower has failed to pay under Section 9.

(b) Any amounts disbursed by Administrative Agent under this Section, or under any other provision of this Security Instrument, or under any of the other Loan Documents, that treats such disbursement as being made under this Section, shall be added to, and become part of the Loan Obligations secured hereby, shall be immediately due and payable and shall bear interest from the date of disbursement until paid at the Default Rate.

(c) Nothing in this Section shall require Administrative Agent to incur any expense or take any action.

8. **Inspection.** Administrative Agent, its agents, representatives, and designees may make or cause to be made entries upon and inspections of the Mortgaged Property (including environmental inspections and tests) during normal business hours, or at any other reasonable time, upon reasonable advance notice to Borrower (which may be oral) except in an emergency or during the continuance of an Event of Default.

9. **Taxes; Operating Expenses.**

(a) Subject to the provisions of Section 8(c), Borrower shall pay, or cause to be paid, all Taxes when due and before the addition of any interest, fine, penalty or cost for nonpayment.

(b) Subject to the provisions of Section 8(c), Borrower shall pay or cause to be paid the expenses of operating, managing, maintaining and repairing the Mortgaged Property (including insurance premiums, utilities, repairs and replacements) before the last date upon which each such payment may be made without any penalty or interest charge being added or lien imposed.

(c) Borrower, at its own expense, may contest by appropriate legal proceedings, conducted diligently and in good faith, the amount or validity of any Imposition

other than insurance premiums, if (i) Borrower notifies Administrative Agent of the commencement or expected commencement of such proceedings, (ii) the Mortgaged Property is not in danger of being sold or forfeited, as determined by Administrative Agent in its discretion, (iii) Borrower furnishes whatever security is required in the proceedings or is reasonably requested by Administrative Agent, which may include the delivery to Administrative Agent of the reserves established by Borrower to pay the contested Imposition, as additional security, and (iv) such contest operates to suspend enforcement of such Imposition.

(d) Upon Lender's request, Borrower shall promptly deliver to Administrative Agent a copy of all notices of, and invoices for, Impositions, and receipts or other evidence of payment of Impositions.

(e) In the event of the passage of any law subsequent to the date of this Security Instrument in any manner changing or modifying the laws now in force governing the taxation of deeds of trust or mortgages or debts secured by deeds of trust or mortgages or the manner of collecting any such taxes so as to adversely affect Administrative Agent or any Lender (including, without limitation, a requirement that internal revenue stamps be affixed to this Security Instrument or any of the other Loan Documents), Borrower will promptly pay any such tax.

10. **Liens; Encumbrances.** Borrower acknowledges that the existence of any Lien on the Mortgaged Property, other than Permitted Encumbrances or as permitted in the Loan Agreement, whether voluntary, involuntary or by operation of law, is a "Transfer" which constitutes an Event of Default as provided under Section 14.

11. **Preservation, Management And Maintenance Of Mortgaged Property.** Borrower (a) shall not commit waste or permit impairment or deterioration of the Mortgaged Property, (b) shall not abandon the Mortgaged Property, (c) shall restore or repair promptly, in a good and workmanlike manner, any damaged part of the Mortgaged Property to the equivalent of its original condition or such other condition as Administrative Agent may approve in writing, provided that net insurance proceeds or condemnation awards (after payment of costs, if any, of obtaining such proceeds or awards) are made available to Borrower under procedures and subject to the conditions set forth in the in the Loan Agreement to be used by Borrower for such restoration or repair, but whether or not insurance proceeds or condemnation awards are available or sufficient to cover any costs of such restoration or repair, (d) shall keep the Mortgaged Property in good repair, including the replacement of Personalty and Fixtures with items of equal or better function and quality, (e) shall provide for professional management of the Mortgaged Property by a manager satisfactory to Administrative Agent, in its sole discretion, under a contract approved by Administrative Agent in writing, under a contract approved by Administrative Agent in writing, and (f) shall give notice to Administrative Agent of and, unless otherwise directed in writing by Administrative Agent, shall appear in and defend any action or proceeding purporting to affect the Mortgaged Property, Administrative Agent's security or Administrative Agent's rights under this Security Instrument. Borrower shall not (and shall not permit any other Person to) remove, demolish or alter the Mortgaged Property or any part of the Mortgaged Property except in connection with the replacement of tangible Personalty.

12. **Condemnation.**

(a) Borrower shall promptly notify Administrative Agent of any action or proceeding relating to any condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Mortgaged Property, whether direct or indirect (a “**Condemnation**”). Borrower shall appear in and prosecute or defend any proceeding relating to any Condemnation unless otherwise directed by Administrative Agent in writing. Borrower authorizes and appoints Administrative Agent as attorney-in-fact for Borrower to commence, appear in and prosecute, in Administrative Agent’s or Borrower’s name, any action or proceeding relating to any Condemnation and to settle or compromise any claim in connection with any Condemnation. This power of attorney is coupled with an interest and therefore is irrevocable. However, nothing contained in this Section shall require Administrative Agent to incur any expense or take any action. Borrower hereby transfers and assigns to Administrative Agent all right, title and interest of Borrower in and to any award or payment with respect to (i) any Condemnation, or any conveyance in lieu of Condemnation, and (ii) any damage to the Mortgaged Property caused by governmental action that does not result in a Condemnation.

(b) Subject to the provisions of the Loan Agreement, Administrative Agent, in its sole discretion, may apply such awards or proceeds, after the deduction of Administrative Agent’s expenses incurred in the collection of such amounts, at Administrative Agent’s option, to the restoration or repair of the Mortgaged Property or to the payment of the Loan Obligations, with the balance, if any, to Borrower. Unless Administrative Agent otherwise agrees in writing, any application of any awards or proceeds to the Loan Obligations shall not extend or postpone the due date of any monthly installments referred to in the Note or this Security Instrument, or change the amount of such installments. Borrower agrees to execute such further evidence of assignment of any awards or proceeds as Administrative Agent may require.

13. **Transfers of the Mortgaged Property or Beneficial Interests in Borrower.** Except for Permitted Encumbrances and except to the extent permitted herein and under the Loan Agreement, no Transfer of any part of the Mortgaged Property or any beneficial interest of Borrower shall be permitted without Administrative Agent’s prior written consent, which may be withheld in Administrative Agent’s sole and absolute discretion.

14. **Events Of Default.** The occurrence of any one or more of the following shall constitute an Event of Default under this Security Instrument:

(i) the failure by Borrower to pay any installment of principal or interest required by the Loan Agreement and under the Note within ten (10) days after the same becomes due;

(b) the failure by Borrower to pay any other sums (other than principal or interest) pursuant to the Loan Agreement, the Note, this Security Instrument or any other Loan Documents within ten (10) days after written notice of such failure is given to Borrower;

(c) the failure of Borrower to comply with the provisions of Section 13; or

(d) any “Event of Default” pursuant to, and as defined in, any other Loan Document.

15. **Remedies.**

(a) Acceleration of Maturity. If an Event of Default shall have occurred, then the entire Loan Obligations shall, at the option of Administrative Agent, immediately become due and payable without notice or demand, except as otherwise expressly required herein or in the other Loan Documents or by applicable law, time being of the essence of this Security Instrument, and no omission on the part of Administrative Agent to exercise such option when entitled to do so shall be construed as a waiver of such right.

(b) Uniform Commercial Code. Administrative Agent shall have all of the rights and remedies of a secured party under the UCC. Upon demand by Administrative Agent, Borrower shall assemble the UCC Collateral and make it available to Administrative Agent, at a place designated by Administrative Agent. Administrative Agent or its agents may without notice from time to time enter upon Borrower's premises to take possession of the UCC Collateral, to remove it, to render it unusable, to process it or otherwise prepare it for sale, or to sell or otherwise dispose of it.

Any written notice of the sale, disposition or other intended action by Administrative Agent with respect to the UCC Collateral which is sent by regular mail, postage prepaid, to Borrower at the address of Borrower which may from time to time be shown on Administrative Agent's records, at least ten (10) days prior to such sale, disposition or other action, shall constitute commercially reasonable notice to Borrower. Administrative Agent may alternatively or additionally give such notice in any other commercially reasonable manner. Nothing in this Security Instrument shall require Administrative Agent to give any notice not expressly required herein or in the other Loan Documents or by applicable law.

If any consent, approval, or authorization of any state, municipal or other governmental department, agency or authority or of any Person having any interest therein, should be necessary to effectuate any sale or other disposition of the UCC Collateral, Borrower agrees to execute all such applications and other instruments, and to take all other action, as may be required in connection with securing any such consent, approval or authorization.

Borrower recognizes that Administrative Agent may be unable to effect a public sale of all or a part of the UCC Collateral consisting of securities by reason of certain prohibitions contained in the Securities Act of 1933, as amended (the "1933 Act"), and other applicable federal and state laws. Administrative Agent may, therefore, in its discretion, take such steps as it may deem appropriate to comply with such laws and may, for example, at any sale of the UCC Collateral consisting of securities restrict the prospective bidders or purchasers as to their number, nature of business and investment intention, including, without limitation, a requirement that the Persons making such purchases represent and agree to the satisfaction of Administrative Agent that they are purchasing such securities for their account, for investment, and not with a view to the distribution or resale of any thereof. Borrower covenants and agrees to do or cause to be done promptly all such acts and things as Administrative Agent may request from time to time and as may be necessary to offer and/or sell the securities or any part thereof in a manner which is valid and binding and in conformance with all applicable laws. Upon any such sale or disposition, Administrative Agent shall have the right to deliver, assign and transfer to the purchaser thereof the UCC Collateral consisting of securities so sold.

(c) Right to Enter and Take Possession.

(i) If an Event of Default shall exist, Borrower, upon demand of Administrative Agent, shall forthwith surrender to Administrative Agent the actual possession of the Mortgaged Property and, if and to the extent permitted by law, Administrative Agent itself, or by such officers or agents as it may appoint, may enter and take possession of all or any part of the Mortgaged Property without the appointment of a receiver or an application therefor, and may exclude Borrower and its agents and employees wholly therefrom, and take possession of the books, papers and accounts of Borrower relating thereto;

(ii) If Borrower shall for any reason fail to surrender or deliver the Mortgaged Property or any part thereof after such demand by Administrative Agent, Administrative Agent may obtain a judgment or decree conferring upon Administrative Agent the right to immediate possession or requiring Borrower to deliver immediate possession of the Mortgaged Property to Administrative Agent. Borrower will pay to Administrative Agent, upon demand, all expenses of obtaining such judgment or decree, including costs and expense incurred by Administrative Agent, its attorneys and agents, and all such expenses and costs shall, until paid, become part of the Loan Obligations and shall be secured by this Security Instrument;

(iii) Upon every such entering or taking of possession, Administrative Agent may hold, store, use, operate, manage and control the Mortgaged Property and conduct the business thereof, and, from time to time (A) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional Fixtures, Personalty and Equipment; (B) insure or keep the Mortgaged Property insured; (C) manage and operate the Mortgaged Property and exercise all of the rights and powers of Borrower to the same extent as Borrower could in its own name; and/or (D) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted to Administrative Agent, all as Administrative Agent from time to time may determine to be in its best interest. Administrative Agent may collect and receive all the Rents, including those past due as well as those accruing thereafter, and, after deducting (1) all expenses of taking, holding, managing and operating the Mortgaged Property (including compensation for the services of all persons employed for such purposes); (2) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions; (3) the cost of such insurance deemed necessary by Administrative Agent; (4) such taxes, assessments and other similar charges as Administrative Agent may at its option pay; (5) other proper charges upon the Mortgaged Property or any part thereof; and (6) the fees, expenses and disbursements of the attorneys and agents of Administrative Agent, Administrative Agent shall apply the remainder of the monies and proceeds so received by Administrative Agent, first, to the payment of accrued interest; second, to the payment of Impositions that Administrative Agent elects to pay and to other sums required to be paid hereunder; and third, to the payment of overdue installments of principal and any other unpaid Loan Obligations then due. Anything in this Section to the contrary notwithstanding, Administrative Agent shall not incur any liability as a result of any exercise by Administrative Agent of its rights under this Security Instrument, and Administrative Agent shall be liable to account only for the Rents actually received by Administrative Agent;

(iv) Whenever all of the Loan Obligations shall have been paid and all Events of Default shall have been cured, Administrative Agent shall surrender possession of the Mortgaged Property to Borrower, its successors and/or assigns. The same right of taking possession, however, shall exist if any subsequent Event of Default shall occur and be continuing.

(d) Establishment of Deposit Account. If an Event of Default shall exist, Administrative Agent may require that Borrower cause all of its Accounts to be paid to one or more deposit accounts with Administrative Agent, or at Administrative Agent's option, with another financial institution approved by Administrative Agent to the extent not prohibited by applicable law. Borrower assigns and grants to Administrative Agent for its benefit and for the benefit of Lenders a security interest in, pledge of and right of setoff against all moneys from time to time held in such deposit accounts, to the extent permitted by applicable law. Borrower agrees to promptly notify all of its account debtors, including account debtors pursuant to all Reimbursement Contracts, to the extent permitted under applicable law and to the extent Borrower maintains such Accounts, to make payments to one or more such deposit accounts upon Administrative Agent's request and as designated by Administrative Agent, and Borrower agrees to provide any necessary endorsements to checks, drafts and other forms of payment so that such payments will be properly deposited in such accounts. Administrative Agent may cause moneys to be withdrawn from such deposit accounts and applied to the Loan Obligations in such order as Administrative Agent may elect, whether or not then due, subject to any requirements of the Loan Agreement. Borrower appoints Administrative Agent as Borrower's attorney-in-fact, which appointment is coupled with an interest and is irrevocable, to provide any notice, endorse any check, draft or other payment for deposit, or take any other action which Borrower agrees to undertake in accordance with this Section. Administrative Agent shall not be liable for failure to collect or to enforce any Accounts or for any action or omission on the part of Administrative Agent, its officers, agents and employees in collecting or enforcing such Accounts.

(e) Performance by Administrative Agent. If an Event of Default shall exist, Administrative Agent may, at its sole option, pay, perform or observe the same, and all payments made or costs or expenses incurred by Administrative Agent in connection therewith, with interest thereon at the Default Rate or at the maximum rate from time to time allowed by applicable law, whichever is less, shall be secured hereby and shall be promptly repaid by Borrower to Administrative Agent upon Administrative Agent's written demand. Notwithstanding anything to the contrary herein, Administrative Agent shall have no obligation, explicit or implied to pay, perform, or observe any term, covenant, or condition.

(f) Receiver. If any Event of Default shall exist, Administrative Agent, upon application to a court of competent jurisdiction, shall be entitled as a matter of strict right, without notice (except such notice as is expressly required herein or in the other Loan Documents or by applicable law) and without regard to the sufficiency or value of any security for the Loan Obligations or the solvency of any party bound for its payment, to the appointment of a receiver to take possession of and to operate the Mortgaged Property and the Facility and to collect and apply the Rents and to sell all or any part of the Mortgaged Property to the extent approved by the court appointing such receiver. The receiver shall have all the rights and powers permitted under the laws of the Property Jurisdiction including the right to sell the Mortgaged Property as aforesaid. Borrower will pay unto Administrative Agent upon demand all expenses



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actually incurred, including receiver's fees, reasonable attorney's fees, costs and agent's compensation, incurred pursuant to the provisions of this Section, and upon the Borrower's failure to pay the same, any such amounts shall be added to the Loan Obligations and shall be secured by this Security Instrument.

(g) Administrative Agent's Power of Enforcement. If an Event of Default shall exist, Administrative Agent may, in addition to and not in abrogation of any other rights set forth in this Security Instrument, either with or without entry or taking possession as hereinabove provided or otherwise, proceed by suit or suits at law in equity or any other appropriate proceeding or remedy (i) to enforce payment of the Note or the performance of any term thereof or any other right, (ii) to cause the Mortgaged Property to be sold to satisfy the Loan Obligations (and except as required by law, neither Borrower nor any other Person other than Administrative Agent shall have the right to direct the order in which the Mortgaged Property is sold); (iii) to foreclose this Security Instrument and to sell, as an entirety or in separate lots or parcels, the Mortgaged Property, as provided by applicable law, and (iv) to pursue any other remedy available to it at law or in equity, all as Administrative Agent shall deem most effectual for such purposes hereunder, and pursue any other security now or later held by Administrative Agent, concurrently or successively and in one or several consolidated or independent actions, and to apply the proceeds received upon the Loan Obligations all in such order and manner as is hereinafter set forth or as Administrative Agent determines in its sole discretion. Administrative Agent shall take action either by such proceedings or by the exercise of its powers with respect to entry or taking possession, as Administrative Agent may determine. In the event the Mortgaged Property is comprised of more than one parcel of real property, Borrower hereby waives any right to require Administrative Agent to foreclose or exercise any of its other remedies before proceeding against all of the Mortgaged Property as a whole or to require Administrative Agent to foreclose or exercise such remedies against one portion of the Mortgaged Property prior to the foreclosure or exercise of said remedies against other portions of the Mortgaged Property.

(h) Power of Sale. In the event the Mortgaged Property is comprised of more than one parcel of real property, Borrower hereby waives any right to require Administrative Agent to foreclose or exercise any of its other remedies before proceeding against all of the Mortgaged Property as a whole or to require Administrative Agent to foreclose or exercise such remedies against one portion of the Mortgaged Property prior to the foreclosure or exercise of said remedies against other portions of the Mortgaged Property. If an Event of Default shall have occurred, Administrative Agent may sell the Mortgaged Property at public outcry to the highest bidder for cash in front of the court house door in the county where said 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 said sale in some newspaper published in said county, and, upon payment of the purchase money, Administrative Agent or any person conducting the sale for Administrative Agent is authorized to execute to the purchaser at said sale a deed to the Mortgaged Property so purchased. Administrative Agent may bid at said sale and purchase said Mortgaged Property, or any part thereof, if the highest bidder therefor, and apply all or any part of the indebtedness secured hereby as a credit against the purchase price. 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 Administrative Agent may elect.

(i) Purchase by Administrative Agent or any Lender. Upon any foreclosure sale, Administrative Agent may bid for and purchase the Mortgaged Property and shall be entitled to apply all or any part of the Loan Obligations as a credit to the purchase price.

(j) Application of Proceeds of Sale. In the event of a foreclosure or other sale of all or any portion of the Mortgaged Property, the proceeds of said sale shall be applied as required by applicable law and, to the extent not inconsistent therewith, first, to the expenses of such sale, and of all proceedings in connection therewith, including actual attorney's fees and expenses; then to insurance premiums, liens, assessments, Impositions and charges, including utility charges and any other amounts advanced or incurred by Administrative Agent hereunder, and interest thereon; then to payment of the Loan Obligations in such order of priority as Administrative Agent shall determine, in its sole discretion, subject to the requirements of the Loan Agreement; and finally the remainder, if any, shall be paid to Borrower, or to the Person lawfully entitled thereto.

(k) Borrower as Tenant Holding Over. In the event of any such foreclosure sale, Borrower (if Borrower shall remain in possession) shall be deemed a tenant holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable thereto.

(l) Waiver of Appraisalment, Valuation, Etc. Borrower agrees, to the full extent permitted by law, that in case of an Event of Default on the part of Borrower hereunder, neither Borrower nor anyone claiming through or under Borrower will assert, claim or seek to take advantage of any appraisalment, redemption, valuation, stay, homestead, extension, exemption or laws now or hereafter in force, in order to prevent or hinder the enforcement of foreclosure of this Security Instrument, or the absolute sale of the Mortgaged Property, or the delivery of possession thereof immediately after such sale to the purchaser at such sale.

(m) Discontinuance of Proceedings. In case Administrative Agent shall have proceeded to enforce any right, power or remedy under this Security Instrument by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Administrative Agent, then in every such case, Borrower and Administrative Agent shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Administrative Agent shall continue as if no such proceedings had occurred.

(n) Waiver.

(i) No delay or omission by Administrative Agent or by any holder of the Note to exercise any right, power or remedy accruing upon any default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such default, or acquiescence therein, and every right, power and remedy given by this Security Instrument to Administrative Agent may be exercised from time to time and as often as may be deemed expedient by Administrative Agent. No consent or waiver expressed or implied by Administrative Agent to or of any breach or default by Borrower in the performance of the obligations of Borrower hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the

performance of the same or any other obligations of Borrower hereunder. Failure on the part of Administrative Agent to complain of any act or failure to act or failure to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by Administrative Agent of its rights hereunder or impair any rights, powers or remedies of Administrative Agent hereunder.

(ii) No act or omission by Administrative Agent shall release, discharge, modify, change or otherwise affect the original liability under the Note, this Security Instrument, other Loan Documents or any other obligation of Borrower or any subsequent purchaser of the Mortgaged Property or any part thereof, or any maker, co-signer, endorser, surety or guarantor, nor preclude Administrative Agent from exercising any right, power or privilege herein granted or intended to be granted in any Event of Default then existing or of any subsequent default, nor alter the lien of this Security Instrument, except as expressly provided in the Loan Documents or an instrument or instruments executed by Administrative Agent. Without limiting the generality of the foregoing, Administrative Agent may (A) grant forbearance or an extension of time for the payment of all or any portion of the Loan Obligations; (B) take other or additional security for the payment of any of the Loan Obligations; (C) waive or fail to exercise any right granted herein, in the Note or in other Loan Documents; (D) release any part of the Mortgaged Property from the security interest or lien of this Security Instrument or otherwise change any of the terms, covenants, conditions or agreements of the Note, this Security Instrument or other Loan Documents; (E) consent to the filing of any map, plat or replat affecting the Land; (F) consent to the granting of any easement or other right affecting the Mortgaged Property; (G) make or consent to any agreement subordinating the security title or lien hereof, or (H) take or omit to take any action whatsoever with respect to the Note, this Security Instrument, the other Loan Documents, the Mortgaged Property or any document or instrument evidencing, securing or in any way related to the Security Instrument, all without releasing, discharging, modifying, changing or affecting any such liability, or precluding Administrative Agent from exercising any such right, power or privilege with respect to the lien of this Security Instrument. In the event of the sale or transfer by operation of law or otherwise of all or any part of the Mortgaged Property, Administrative Agent, without notice, is hereby authorized and empowered to deal with any such vendee or transferee with respect to the Mortgaged Property or the Loan Obligations, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities, obligations or undertakings of Borrower, any guarantor of the Loan Obligations or others.

(iii) Borrower waives and relinquishes any and all rights it may have, whether at law or equity, to require Administrative Agent to proceed to enforce or exercise any rights, powers and remedies it may have under the Loan Documents in any particular manner, in any particular order, or in any particular state or other jurisdiction. Borrower expressly waives and relinquishes any and all rights and remedies that Borrower may have or be able to assert by reason of the laws of the state of jurisdiction pertaining to the rights and remedies of sureties.

Borrower makes these arrangements, waivers and relinquishments knowingly and as a material inducement to Lenders in making the Loan, after consulting with and considering the advice of independent legal counsel selected by Borrower.

(o) Suits to Protect the Mortgaged Property. Administrative Agent shall have power to institute and maintain such suits and proceedings as it may deem expedient (i) to prevent any impairment of the Mortgaged Property by any acts which may be unlawful or constitute an Event of Default under this Security Instrument; (ii) to preserve or protect its interest in the Mortgaged Property and in the Rents arising therefrom; and (iii) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would materially impair the security hereunder or be prejudicial to the interest of Administrative Agent or Lenders.

(p) Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Borrower, its creditors or its properties, Administrative Agent, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Administrative Agent allowed in such proceedings for the entire amount due and payable by Borrower under this Security Instrument at the date of the institution of such proceedings and for any additional amount which may become due and payable by Borrower hereunder after such date.

(q) Actions Without Borrower's Consent. Borrower agrees that Administrative Agent may do any one or all of the following without notice to or the consent of Borrower and without affecting Administrative Agent's rights or remedies against Borrower: (i) accept partial payment of, compromise, settle, renew, extend the time for payment or performance of, or refuse to enforce any of the Loan Obligations to Administrative Agent and Lenders under or in connection with this Security Instrument or any of the other Loan Documents; (ii) grant any indulgence or forbearance to the Borrower, a Guarantor or any other Person under or in connection with any or all of the Loan Documents; (iii) release, waive, substitute or add any or all collateral securing payment of any or all of the Loan Obligations; (iv) release, substitute or add any one or more endorsers or guarantors of any or all of the Loan Obligations; and (v) exercise any right or remedy with respect to the Loan Obligations or any collateral securing the Loan Obligations, notwithstanding any effect on or impairment of Borrower's subrogation, reimbursement or other rights against a Guarantor or any other Person under or in connection with any or all of the Loan Documents.

16. Remedies Cumulative. Each right and remedy provided in this Security Instrument is distinct from all other rights or remedies under this Security Instrument or any other Loan Document or afforded by applicable law, and each shall be cumulative and may be exercised concurrently, independently, or successively, in any order.

17. Forbearance.

(a) Administrative Agent may agree with the Borrower, from time to time, at Administrative Agent's option and without giving notice to, or obtaining the consent of, or

having any effect upon the obligations of any Guarantor or other third party obligor, extend the time for payment of all or any part of the Loan Obligations, reduce the payments due under this Security Instrument, the Note, or any other Loan Document, release anyone liable for the payment of any amounts under this Security Instrument, the Note, or any other Loan Document, accept a renewal of the Note, modify the terms and time of payment of the Loan Obligations, join in any extension or subordination agreement, release any Mortgaged Property, take or release other or additional security, modify the rate of interest or period of amortization of the Note or change the amount of the monthly installments payable under the Note, or otherwise modify this Security Instrument, the Note, or any other Loan Document.

(b) Any forbearance by Administrative Agent in exercising any right or remedy under the Note, this Security Instrument, the Guaranty Agreement, or any other Loan Document or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by Administrative Agent or Lenders of payment of all or any part of the Loan Obligations after the due date of such payment, or in an amount which is less than the required payment, shall not be a waiver of Administrative Agent's right to require prompt payment when due of all other payments on account of the Loan Obligations or to exercise any remedies for any failure to make prompt payment. Enforcement by Administrative Agent of any security for the Loan Obligations shall not constitute an election by Administrative Agent of remedies so as to preclude the exercise of any other right available to Administrative Agent. Administrative Agent's receipt of any insurance and/or condemnation proceeds shall not operate to cure or waive any Event of Default.

18. **Loan Charges.** If any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower is interpreted so that any charge provided for in any Loan Document, whether considered separately or together with other charges levied in connection with any other Loan Document, violates that law, and Borrower is entitled to the benefit of that law, that charge is hereby reduced to the extent necessary to eliminate that violation. The amounts, if any, previously paid to Administrative Agent in excess of the permitted amounts shall be applied by Administrative Agent and Lenders to reduce the principal of the Loan Obligations. For the purpose of determining whether any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower has been violated, all Loan Obligations which constitute interest, as well as all other charges levied in connection with the Loan Obligations which constitute interest, shall be deemed to be allocated and spread over the stated term of the Note. Unless otherwise required by applicable law, such allocation and spreading shall be effected in such a manner that the rate of interest so computed is uniform throughout the stated term of the Note.

19. [Intentionally Deleted].

20. **Waiver Of Marshalling.** Notwithstanding the existence of any other security interests in the Mortgaged Property held by Administrative Agent or by any other party, Administrative Agent shall have the right to determine the order in which any or all of the Mortgaged Property shall be subjected to the remedies provided in this Security Instrument, the Note, the Loan Agreement, any other Loan Document or under applicable law. Administrative Agent shall have the right to determine the order in which any or all portions of the Loan Obligations are satisfied from the proceeds realized upon the exercise of such remedies.

Borrower and any party who now or in the future acquires a security interest in the Mortgaged Property and who has actual or constructive notice of this Security Instrument waives any and all right to require the marshalling of assets or to require that any of the Mortgaged Property be sold in the inverse order of alienation or that any of the Mortgaged Property be sold in parcels or as an entirety in connection with the exercise of any of the remedies permitted by applicable law or provided in this Security Instrument.

21. **Further Assurances.** Borrower shall execute, acknowledge, and deliver, at its sole cost and expense, all further acts, deeds, conveyances, assignments, estoppel certificates, financing statements, transfers and assurances as Administrative Agent may require from time to time in order to better assure, grant, and convey to Administrative Agent the rights intended to be granted, now or in the future, to Administrative Agent under this Security Instrument and the Loan Documents.

22. **Estoppel Certificate.** Within ten (10) days after a request from Administrative Agent, Borrower shall deliver to Administrative Agent a written statement, signed and acknowledged by Borrower, certifying to Administrative Agent or any Person designated by Administrative Agent, as of the date of such statement, (a) that the Loan Documents are unmodified and in full force and effect (or, if there have been modifications, that the Loan Documents are in full force and effect as modified and setting forth such modifications); (b) the unpaid principal balance of the Note; (c) the date to which interest under the Note has been paid; (d) that Borrower is not in default in paying the Loan Obligations or in performing or observing any of the covenants or agreements contained in this Security Instrument or any of the other Loan Documents (or, if Borrower is in default, describing such default in reasonable detail); (e) whether or not there are then existing any setoffs or defenses known to Borrower against the enforcement of any right or remedy of Administrative Agent under the Loan Documents; and (f) any additional facts requested by Administrative Agent.

23. **Governing Law; Consent to Jurisdiction and Venue.**

(a) This Security Instrument shall be governed by the law of the Property Jurisdiction.

(b) Each of Borrower, Administrative Agent and Lenders consents to the jurisdiction of any and all state and federal courts in the Property Jurisdiction over Borrower and Borrower's assets. Borrower agrees that its assets shall be used first to satisfy all claims of creditors organized or domiciled in the United States and that no assets of Borrower in the United States shall be considered part of any foreign bankruptcy estate.

(c) Each of Borrower, Administrative Agent and Lenders agrees that any controversy arising under or in relation to the Note, this Security Instrument or any other Loan Document may be litigated in the county or federal judicial district in the Property Jurisdiction or in any state or federal court presiding in Shelby County, Alabama. The state and federal courts and authorities with jurisdiction in Shelby County, Alabama and the Property Jurisdiction shall each have nonexclusive jurisdiction over all controversies which shall arise under or in relation to the Note, any security for the Loan Obligations or any other Loan Document. Borrower irrevocably consents to the service, jurisdiction and venue of such courts for any such litigation



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and any waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise.

24. **Notice.**

(a) All notices, demands and other communications (“**Notice**”) under or concerning this Security Instrument shall be in writing. Each Notice shall be addressed to the intended recipient at its address set forth in this Security Instrument, and shall be deemed given on the earliest to occur of (i) the date when the Notice is received by the addressee; (ii) the first Business Day after the Notice is delivered to a recognized overnight courier service, with arrangements made for payment of charges for next Business Day delivery; or (iii) the third Business Day after the Notice is deposited in the United States mail with postage prepaid, certified mail, return receipt requested.

(b) Any party to this Security Instrument may change the address to which Notices intended for it are to be directed by means of Notice given to the other party in accordance with this Section. Each party agrees that it will not refuse or reject delivery of any Notice given in accordance with this Section, that it will acknowledge, in writing, the receipt of any Notice upon request by the other party and that any Notice rejected or refused by it shall be deemed for purposes of this Section to have been received by the rejecting party on the date so refused or rejected, as conclusively established by the records of the U.S. Postal Service or the courier service.

(c) Any Notice under the Note and any other Loan Document which does not specify how Notices are to be given shall be given in accordance with this Section.

(d) A copy of any Notice sent to Administrative Agent pursuant to this Section shall be sent to:

Dwight L. Mixson, Jr.
Burr & Forman LLP
420 North 20th Street
Suite 3400
Birmingham, Alabama 35203

25. **Single-Purpose Entity.** Until the Loan Obligations are paid in full, Borrower shall maintain its status as a Single-Purpose Entity and comply with all those covenants with respect to its status as a Single-Purpose Entity as set forth in the Loan Agreement.

26. **Subrogation.** If, and to the extent that, the proceeds of the Loan are used to pay, satisfy or discharge any obligation of Borrower for the payment of money that is secured by a pre-existing mortgage, deed of trust or other lien encumbering the Mortgaged Property (a “**Prior Lien**”), such loan proceeds shall be deemed to have been advanced by Administrative Agent and Lenders at Borrower's request, and Administrative Agent and Lenders shall automatically, and without further action on their part, be subrogated to the rights, including lien priority, of the owner or holder of the obligation secured by the Prior Lien, whether or not the Prior Lien is released.

27. **Administrative Agent Statement; Certain Charges.** With respect to (a) any statement, accounting, or similar information requested by Borrower; or (b) any other document furnished to Borrower or any other Person by Administrative Agent at Borrower's request or pursuant to the requirements of applicable law or order of a court having jurisdiction thereof, Administrative Agent shall have the right to charge Administrative Agent's customary charge (*i.e.* charges made to borrowers generally for similar services) for providing such statement, accounting, or other information.

28. **Disclosure Of Information.** Administrative Agent may furnish financial information regarding Borrower or the Mortgaged Property to third parties with an existing or prospective interest in the enforcement, evaluation, performance, purchase or securitization of the Loan Obligations, including but not limited to credit rating agencies. Borrower irrevocably waives any and all rights it may have under applicable law to prohibit such disclosure, including but not limited to any right of privacy.

29. **Release.** Upon Borrower's written request following the payment and performance or settlement in full of all Loan Obligations secured by this Security Instrument, other than contingent obligations which by their terms survive the release hereof and as to which no event giving rise to the incurrence of any such obligation shall have occurred, Administrative Agent shall cause this Security Instrument to be satisfied of record in accordance with applicable law and shall surrender to Borrower the Note and all other documents evidencing the Loan Obligations secured by this Security Instrument. Such satisfaction or release shall operate as a reassignment of the Rents and profits assigned to Administrative Agent, for its benefit and the benefit of Lenders, under the Assignment of Leases and Rents and a termination of the Assignment of Leases and Rents.

30. **Execution Of Documents By Administrative Agent.** Without notice to or affecting the liability of Borrower or any other Person for the payment or performance of the Loan Obligations, without affecting the lien or priority of this Security Instrument or Administrative Agent's rights and remedies under the Loan Documents, and without liability to Borrower or any other Person, Administrative Agent shall have the right, at any time and from time to time, to do any one or more of the following: (a) release any part of the Mortgaged Property and (b) execute any extension agreement relating to any or all of the Loan Obligations, any document subordinating the lien of this Security Instrument to any other lien or document, or any other document relating to the Mortgaged Property, Loan Obligations, or Loan Documents.

31. **Joint And Several Liability.** If more than one Person signs this Security Instrument as Borrower, the obligations of such Persons shall be joint and several.

32. **Relationship Of Parties; No Third Party Beneficiary.** The relationship between Administrative Agent, Lenders and Borrower shall be solely that of creditors and debtor, respectively, and nothing contained in this Security Instrument shall create any other relationship between Administrative Agent, Lenders and Borrower. No creditor of any party to this Security Instrument and no other Person shall be a third party beneficiary of this Security Instrument or any other Loan Document.

33. **Severability; Amendments.** The invalidity or unenforceability of any provision of this Security Instrument shall not affect the validity or enforceability of any other provision, and all other provisions shall remain in full force and effect. This Security Instrument contains the entire agreement among the parties as to the rights granted and the obligations assumed in this Security Instrument. This Security Instrument may not be amended or modified except by a writing signed by the party against whom enforcement is sought.

34. **Miscellaneous Provisions.** The captions and headings of the sections of this Security Instrument are for convenience only and shall be disregarded in construing this Security Instrument. Any reference in this Security Instrument to an "Exhibit" or a "Section" shall, unless otherwise explicitly provided, be construed as referring, respectively, to an Exhibit attached to this Security Instrument or to a section of this Security Instrument. All Exhibits attached to or referred to in this Security Instrument are incorporated by reference into this Security Instrument. Any reference in this Security Instrument to a statute or regulation shall be construed as referring to that statute or regulation as amended from time to time. Use of the singular in this Security Instrument includes the plural and use of the plural includes the singular. As used in this Security Instrument, the term "including" means "including, but not limited to."

35. **WAIVER OF TRIAL BY JURY.** BORROWER (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN BY BORROWER, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL, AND THIS WAIVER IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A JURY TRIAL WOULD OTHERWISE EXIST. ADMINISTRATIVE AGENT IS AUTHORIZED TO SUBMIT THIS SECURITY INSTRUMENT TO ANY COURT HAVING JURISDICTION OVER THE SUBJECT MATTER AND THE PARTIES TO ANY LOAN DOCUMENT, SO AS TO SERVE AS CONCLUSIVE EVIDENCE OF BORROWER'S WAIVER OF THE RIGHT TO JURY TRIAL. FURTHER, BORROWER CERTIFIES THAT ADMINISTRATIVE AGENT'S AND LENDERS' REPRESENTATIVES OR AGENTS HAVE NOT REPRESENTED, EXPRESSLY OR OTHERWISE, THAT ENFORCEMENT OF THIS WAIVER WILL NOT BE SOUGHT.

36. **WAIVER OF AUTOMATIC STAY.** TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, BORROWER HEREBY AGREES THAT, IN CONSIDERATION OF ADMINISTRATIVE AGENT'S AGREEMENT TO MAKE THE LOAN AND IN RECOGNITION THAT THE FOLLOWING COVENANT IS A MATERIAL INDUCEMENT FOR ADMINISTRATIVE AGENT TO MAKE THE LOAN, IN THE EVENT THAT BORROWER SHALL (A) FILE WITH ANY BANKRUPTCY COURT OF COMPETENT JURISDICTION OR BE THE SUBJECT OF ANY PETITION UNDER ANY SECTION OR CHAPTER OF TITLE 11 OF THE UNITED STATES CODE, AS AMENDED ("BANKRUPTCY CODE"), OR SIMILAR LAW OR STATUTE; (B) BE THE SUBJECT OF ANY ORDER FOR RELIEF ISSUED UNDER THE BANKRUPTCY CODE OR SIMILAR LAW OR STATUTE; (C) FILE OR BE THE

SUBJECT OF ANY PETITION SEEKING ANY REORGANIZATION, ARRANGEMENT, COMPOSITION, READJUSTMENT, LIQUIDATION, DISSOLUTION, OR SIMILAR RELIEF UNDER ANY PRESENT OR FUTURE FEDERAL OR STATE ACT OR LAW RELATING TO BANKRUPTCY, INSOLVENCY, OR OTHER RELIEF FOR DEBTORS; (D) HAVE SOUGHT OR CONSENTED TO OR ACQUIESCED IN THE APPOINTMENT OF ANY TRUSTEE, RECEIVER, CONSERVATOR, OR LIQUIDATOR; OR (E) BE THE SUBJECT OF AN ORDER, JUDGMENT OR DECREE ENTERED BY ANY COURT OF COMPETENT JURISDICTION APPROVING A PETITION FILED AGAINST BORROWER FOR ANY REORGANIZATION, ARRANGEMENT, COMPOSITION, READJUSTMENT, LIQUIDATION, DISSOLUTION, OR SIMILAR RELIEF UNDER ANY PRESENT OR FUTURE FEDERAL OR STATE ACT OR LAW RELATING TO BANKRUPTCY, INSOLVENCY OR RELIEF FOR DEBTORS, THEN, SUBJECT TO COURT APPROVAL, ADMINISTRATIVE AGENT SHALL THEREUPON BE ENTITLED AND BORROWER HEREBY IRREVOCABLY CONSENTS TO, AND WILL NOT CONTEST, AND AGREES TO STIPULATE TO RELIEF FROM ANY AUTOMATIC STAY OR OTHER INJUNCTION IMPOSED BY SECTION 362 OF THE BANKRUPTCY CODE, OR SIMILAR LAW OR STATUTE (INCLUDING, WITHOUT LIMITATION, RELIEF FROM ANY EXCLUSIVE PERIOD SET FORTH IN SECTION 1121 OF THE BANKRUPTCY CODE) OR OTHERWISE, ON OR AGAINST THE EXERCISE OF THE RIGHTS AND REMEDIES OTHERWISE AVAILABLE TO ADMINISTRATIVE AGENT AS PROVIDED IN THE LOAN DOCUMENTS, AND AS OTHERWISE PROVIDED BY LAW, AND BORROWER HEREBY IRREVOCABLY WAIVES ITS RIGHTS TO OBJECT TO SUCH RELIEF.

37. **Successors and Assigns Bound.** This Security Instrument shall bind, and the rights granted by this Security Instrument shall inure to, the respective successors and assigns of Administrative Agent, Lenders and Borrower.

38. **Counterparts.** This Security Instrument may be executed in any number of counterparts, all of which when taken together shall constitute one and the same Security Instrument.

39. **Future Advances.** Administrative Agent and Lenders, at their option, may make future advances to Borrower; provided that nothing contained herein shall constitute an obligation to do so except as may otherwise be required of Lender under the Loan Documents. Such future advances, together with interest thereon, shall be secured by this Security Instrument when evidenced by the Note or by any other instrument indicating that such advances are secured by this Security Instrument or when advanced under the terms of this Security Instrument. Administrative Agent and/or Lenders may make such future advances: (a) at the request of Borrower, whether or not there is any obligation to make future advances, or (b) to pay, with or without the consent or request of Borrower, any amounts which may be due under this Security Instrument or under any other mortgage or lien affecting the Mortgaged Property.

40. **Time of Essence.** Time is of the essence with respect to each and every covenant, agreement and obligation of Grantor under this Security Instrument, and the other Loan Documents.

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IN WITNESS WHEREOF, Borrower has caused this Security Instrument to be properly executed as of the date first above written.

BORROWER:

HOOVER AL INVESTORS, LLC,
a Virginia limited liability company

By: SP Hoover, LLC,
a Virginia limited liability company
Its Sole Member

By: Smith/Packett Med-Com, LLC
a Virginia limited liability company
Its Manager

BY: /f
Hunter D. Smith
Its Vice Chairman Manager

STATE OF SOUTH CAROLINA)
COUNTY OF Charleston)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Hunter D. Smith, whose name as Vice Chairman Manager of Smith/Packett Med-Com, LLC, a Virginia limited liability company, the Manager of SP Hoover, LLC, a Virginia limited liability company, the Sole Member of Hoover AL Investors, LLC, a Virginia limited liability company, is signed the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such Vice Chairman Managers and with full authority, executed the same voluntarily for and as the act of said limited liability company acting in its capacity as aforesaid.

Given under my hand and seal this 24 day of April, 2020.

[Signature]
NOTARY PUBLIC
My Commission Expires: 06/29/2028

[NOTARIAL SEAL]



EXHIBIT "A"

LEGAL DESCRIPTION

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PARCEL 1:

Part of the SW 1/4 of Section 19, and part of the NW 1/4 of Section 30, both in Township 19 South, Range 2 West, Shelby County, Alabama, being more particularly described as follows:

From an existing iron rebar being at a point of intersection with the East right of way line of U.S. Highway No. 31 and the North right of way line of Parkway Lake Drive, as shown on a map of Parkway Lake Drive Relocation as recorded in Map Book 30, Page 61 in the Office of the Judge of Probate, Shelby County, Alabama, run in an Easterly direction along the North right of way line of said Parkway Lake Drive for a distance of 120.24 feet to an existing iron rebar being the point of beginning; thence turn an angle to the left of 94 degrees 20 minutes 50 seconds and run in a Northerly direction for a distance of 141.17 feet to an existing iron rebar; thence turn an angle to the left of 1 degree 08 minutes 07 seconds and run in a Northerly direction for a distance of 110.40 feet; thence turn an angle to the right of 53 degrees 18 minutes 50 seconds and run in a Northeasterly direction for a distance of 35.78 feet; thence turn an angle to the right of 25 degrees 40 minutes 42 seconds and run in a Northeasterly direction for a distance of 34.66 feet; thence turn an angle to the left of 12 degrees 16 minutes 36 seconds and run in a Northeasterly direction for a distance of 57.09 feet; thence turn an angle to the left of 43 degrees 20 minutes 33 seconds and run in a Northeasterly direction for a distance of 64.60 feet; thence turn an angle to the left of 118 degrees 19 minutes 41 seconds and run in a Westerly direction for a distance of 99.82 feet; thence turn an angle to the right of 21 degrees 40 minutes 26 seconds and run in a Northwesterly direction for a distance of 35.52 feet; thence turn an angle to the right of 58 degrees 03 minutes 11 seconds and run in a Northwesterly direction for a distance of 34.09 feet; thence turn an angle to the right of 11 degrees 38 minutes 07 seconds and run in a Northerly direction for a distance of 15.82 feet to a point of intersection with the East right of way line of U.S. Highway No. 31; thence turn an angle to the right of 9 degrees 13 minutes 37 seconds and run in a Northeasterly direction along the East right of way line of said U.S. Highway No. 31 for a distance of 123.48 feet to an existing iron rebar; thence turn an angle to the right of 83 degrees 40 minutes 55 seconds and run in an Easterly direction for a distance of 628.01 feet to an existing iron rebar being on the West right of way line of Parkway Lake Drive and being in a curve, said curve being concave in a Westerly direction and having a central angle of 9 degrees 54 minutes 46 seconds and a radius of 691.60 feet; thence turn an angle to the right (85 degrees 09 minutes 01 seconds to the chord of said curve) and run in a Southerly direction along the West right of way line of said Parkway Lake Drive and along the arc of said curve for a distance of 119.65 feet to an existing iron rebar; thence continue in a Southerly direction along a line tangent to the end of said curve and along the West right of way line of said Parkway Lake Drive for a distance of 16.51 feet to an existing iron rebar and the point of beginning of a new curve, said latest curve being concave in an Easterly direction and having a central angle of 2 degrees 56 minutes 26 seconds and a radius of 360.34 feet; thence turn an angle to the left and run in a Southerly direction along the West right of way line of said Parkway Lake Drive and along the arc of said curve for a distance of 18.49 feet to an existing iron rebar set by Laurence D. Weygand; thence turn an angle to the right (86 degrees 17 minutes 50 seconds from the Chord of

last mentioned curve) and run in a Westerly direction for a distance of 10.48 feet to an existing iron rebar set by Laurence D. Weygand and being on the curved Westerly right of way line of Parkway Lake Drive, said curve being concave in a Northeasterly direction and having a central angle of 27 degrees 47 minutes 33 seconds and a radius of 443.10 feet; thence turn an angle to the left (103 degrees 57 minutes 41 seconds to the chord of said curve) and run in a Southerly and Southeasterly direction along the arc of said curve and along the West right of way line of Parkway Lake Drive for a distance of 214.93 feet to an existing iron rebar set by Laurence D. Weygand; thence turn an angle to the right (55 degrees 01 minutes 55 1/2 seconds from last mentioned chord) and run in a Southwesterly direction along the West right of way line of Parkway Lake Drive for a distance of 104.50 feet to an existing iron rebar and to a point on a curve, said curve being concave in a Southeasterly direction and having a central angle of 6 degrees 29 minutes 08 seconds and a radius of 777.04 feet; thence turn an angle to the right (36 degrees 52 minutes 42 seconds to the chord of said curve) and run in a Southwesterly direction along the arc of said curve and along the Northwest right of way line of Parkway Lake Drive for a distance of 87.96 feet to an existing iron rebar; thence run in a Southwesterly direction along the Northwest right of way line of said Parkway Lake Drive for a distance of 178.87 feet to an existing iron rebar being the point of beginning of a new curve, said latest curve being concave in a Northerly direction, having a central angle of 21 degrees 54 minutes 12 seconds and a radius of 894.01 feet; thence turn an angle to the right and run in a Southwesterly and Westerly direction along the arc of said curve and along the North right of way line of Parkway Lake Drive for a distance of 341.77 feet to an existing iron rebar; thence turn an angle to the right (46 degrees 01 minutes from the chord of last mentioned curve) and run in a Northwesterly direction along the North right of way line of Parkway Lake Drive for a distance of 83.08 feet to an existing iron rebar; thence turn an angle to the left of 30 degrees 28 minutes 17 seconds and run in a Westerly direction along the North right of way line of Parkway Lake Drive for a distance of 1.06 feet, more or less, to the point of beginning.

PARCEL 2:

Part of the SW 1/4 of Section 19 and part of the NW 1/4 of the of Section 30, both in Township 19 South, Range 2 West, Shelby County, Alabama, being more particularly described as follows:

Beginning at an existing iron rebar being at a point of intersection of the East right of way line of US Highway No. 31 and the north right of way line of Parkway Lake Drive as shown in a map of Parkway Lake Drive Relocation, as recorded in Map Book 30, Page 61 in the Office of the Judge of Probate of Shelby County, Alabama, run in an Easterly direction along the North line of said Parkway Lake Drive for a distance of 57.69 feet; thence turn an angle to the left of 102 degrees 16 minutes 15 seconds and run in a Northerly direction for a distance of 155.02 feet; thence turn an angle to the left of 77 degrees 34 minutes 39 seconds and run in a Westerly direction for a distance of 24.34 feet to a point on the East right of way line of US Highway No. 31; thence turn an angle to the left of 90 degrees and run in a Southerly direction along the East right of way line of said U.S. Highway No. 31 for a distance of 151.54 feet, more or less, to the point of beginning.