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State of Alabama

County of Shelby

RBC Bank

**Mortgage, Assignment of Rents and
Security Agreement**
(Future Advance; Non-Consumer)

This record, in addition to covering other property: ☐ covers timber to be cut; ☐ covers as-extracted collateral; ☒ is filed as a fixture filing and covers goods that are or are to become fixtures. The real property to which the foregoing is related is described hereinbelow. The "Secured Party" is the Bank identified below and the "Debtor" is the Mortgagor identified below. The record owner is: Hill/Gray Seven, L.L.C. This document serves as a fixture filing under the Alabama Uniform Commercial Code (Ala. Code § 7-9A-502).

This Mortgage secures indebtedness in a maximum principal amount of \$1,360,533.00 outstanding from time to time.

NOTICE: THE DEBT SECURED HEREBY IS SUBJECT TO CALL IN FULL OR THE TERMS THEREOF BEING MODIFIED IN THE EVENT OF SALE OR CONVEYANCE OF THE PROPERTY MORTGAGED.

THIS MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT ("Mortgage"), entered into as of the effective date of February 16, 2011, by **HILL/GRAY SEVEN, L.L.C.** (whether one or more, "Mortgagor") with a mailing address of 6275 N. Ocean Blvd., Ocean Ridge, Florida 33435, to **RBC BANK (USA)**, a North Carolina banking corporation ("Bank"), with a mailing address of Post Office Box 1220, Rocky Mount, North Carolina 27802-1220, which address is the place to which all notices and communications should be sent to Bank regarding this Mortgage.

A. Mortgagor desires to secure (1) the payment of the Obligations (as defined in the **Mortgage Supplement & Information Schedule** ("Information Schedule") attached to this Mortgage), with interest thereon, and all

extensions, renewals, modifications, amendments, substitutions and replacements thereof and therefor, in whole or in part, (2) the payment of all other sums, with interest thereon, advanced in accordance with the Obligations or herewith to protect the security of this Mortgage, or advanced to protect the rights of Bank hereunder or under the Obligations, (3) the performance of the covenants and agreements contained herein and (4) the performance of the covenants and agreements contained in the Obligations and those in all documents evidencing, securing or relating to the Obligations, by a conveyance of Mortgagor's interest in the lands and improvements and a grant of the security interests hereinafter described.

B. The maximum principal amount of the Obligations, including present and future advances and obligations, that may be secured by this Mortgage at any one time is an amount up to One Million Three Hundred Sixty Thousand Five Hundred Thirty-Three Dollars (\$1,360,533.00). The current principal amount of the Obligations outstanding which are secured by this Mortgage as of the date hereof (including any amounts which have been advanced prior to the date hereof) is Zero Dollars (\$0.00).

C. The period within which any and all future advances and obligations may be incurred under the Obligations is set forth in the Obligations, but in no event shall such period exceed fifteen (15) years from the effective date of this Mortgage. No written instrument or notation shall be required to evidence or secure any future advances and obligations hereunder.

D. Subject to the terms of the Obligations, the maximum amount available under the Obligations may be borrowed and repaid or reduced by partial payment and from time to time reborrowed and repaid (i.e., decrease or increase from time to time), provided the unpaid balance of the principal outstanding under the Obligations shall never exceed the maximum principal amount, including present and future advances and obligations, stated above. Nothing contained herein shall obligate Bank to make any advances to or extend credit to or for the benefit of any person obligated on the Obligations, and any such advances and extensions shall be under the terms and conditions contained in the Obligations or otherwise in the discretion of Bank.

E. The Obligations, including those presently in existence and those which may in the future come into existence, shall be evidenced by one or more instruments (to include promissory notes), chattel paper, general intangibles (to include payment intangibles), accounts, letters of credit, supporting obligations (to include guarantees), commitment letters, loan agreements, credit agreements, agreements relating to derivative transactions (e.g. interest rate swaps, caps, floors or collar transactions, or other similar transactions made pursuant to an International Swap Dealers Association, Inc. Master Agreement or similar agreement) and other evidences of an indebtedness or other obligation owing to Bank by the person identified on the **Information Schedule** under the heading "Obligations" as the obligor or other person obligated on the Obligations, such evidences of indebtedness or other obligation and all extensions, renewals, modifications, amendments, substitutions and replacements thereof and therefor to be in a written or tangible medium, an electronic medium or in some other medium which is retrievable in a perceivable form, the terms and conditions (including the maturity dates of the Obligations) of which are incorporated herein by reference, and which Obligations may contain provisions for the adjustment of the interest rate or rates, adjustments in payments, extension or renewal of the term or terms, among other things.

NOW, THEREFORE, in consideration of the premises and for the purpose of securing the Obligations and the other indebtedness and obligations as aforesaid, and in further consideration of the sum of Ten Dollars (\$10) paid to Mortgagor by Bank, receipt of which is hereby acknowledged, Mortgagor has given, granted, bargained, sold, conveyed and mortgaged, and by these presents does give, grant, bargain, sell, convey and mortgage, with power of sale, to Bank, its successors and assigns, upon the representations, warranties, covenants, terms and conditions set forth in this Mortgage, all of Mortgagor's right, title and interest in and to (1) the parcels of land described on **Exhibit A**, (2) the rights and benefits appurtenant to said parcels of land, and (3) the buildings and other improvements (to include manufactured homes) now located thereon and thereunder and those which in the future may be or may come to be located thereon and thereunder (collectively, the "Property"), together with all equipment, fixtures, standing timber (to include timber to be cut, but this inclusion does not permit cutting of timber unless Bank agrees to such cutting in advance thereof), crops grown, growing and to be grown on the Property (to include crops that are produced on trees, vines and bushes, and aquatic goods) and other farm products (to include livestock – born and unborn, supplies and products of crops and livestock), oil, gas and other minerals and as-extracted collateral (but

inclusion of as-extracted collateral does not permit extraction unless Bank agrees to such extraction in advance thereof) owned by Mortgagor and that in which the Mortgagor has any rights and interests, both now existing and located in, on, over and under the Property and that which may be hereafter acquired and located as aforesaid, whether used in connection with the ownership, possession, operation and maintenance of the Property, or otherwise (collectively, the "Collateral" and the Collateral includes any and all of the proceeds and products thereof, including insurance and condemnation proceeds, accessions and additions thereto, and replacements and substitutions therefor). AND, IF THIS MORTGAGE SECURES A LEASEHOLD INTEREST, Mortgagor expressly agrees that if Mortgagor shall, at any time prior to payment in full of the Obligations and other indebtedness and obligations secured hereby, acquire fee simple title or any other greater estate to the premises described in whole or in part in this Mortgage and subject to such leasehold interest, the lien of this Mortgage shall attach to, extend to, cover and be a lien upon such fee simple title or such greater estate.

TO HAVE AND TO HOLD the Property and Collateral, with all the rights, privileges and appurtenances thereunto belonging or appertaining, to Bank, its successors and assigns, forever.

Mortgagor covenants with Bank that it is seized of the Property in fee, or if Mortgagor's interest in the Property is or includes a leasehold estate, that it holds a valid leasehold estate and interest in the Property, and in either case, that it is seized of the Collateral in fee, and has the right to convey its interest in the Property and Collateral as provided herein; that title is marketable and free and clear of all encumbrances; and that it will warrant and defend the title to the Property and Collateral against the lawful claims of all persons whomsoever, except for the exceptions set forth in the **Information Schedule** under the heading "Permitted Liens", or such other exhibit or schedule, if any, attached to this Mortgage.

Mortgagor represents, warrants, covenants and agrees with Bank as set forth above and in the Sections set forth hereinbelow:

Section 1. Future Advances. This Mortgage secures future advances with interest thereon. All terms and conditions under which future advances may be made, if any, are set forth in the Obligations. Bank shall make, and be obligated to make, future advances only in accordance with the terms and conditions of the Obligations, as the same may be amended or modified, from time to time.

Section 2. Ground Lease Provisions. If Mortgagor's interest in and to the Property is in whole or in part a leasehold interest, the provisions in **Section 2.1** through **Section 2.4** shall apply, in addition to the other terms and conditions hereof.

2.1 Performance of Leasehold Covenants. Mortgagor will: (1) pay the rent reserved by any and all leases under which it holds a leasehold interest in the Property, and through which it holds a leasehold interest in the Property if its leasehold interest is a subleasehold interest (collectively, the "Ground Lease"), as the same becomes due and payable; (2) promptly perform and observe all of the covenants, agreements, obligations and conditions required to be performed or observed by the tenant under the Ground Lease, and do all things necessary to preserve and keep unimpaired its rights thereunder; (3) promptly notify Bank in writing of the exercise of any options to renew, extend or purchase under the Ground Lease, or of the commencement of a proceeding under the federal bankruptcy laws by or against the landlord under the Ground Lease; (4) in case any proceeds of insurance upon the Property or any part thereof are deposited with any person other than Bank pursuant to the requirements of the Ground Lease or the Obligations, promptly notify Bank in writing of the name and address of the person with whom such proceeds have been deposited and the amount so deposited; (5) promptly notify Bank in writing of (i) any default under the Ground Lease by any party thereto, including, without limitation, Mortgagor, (ii) the nature of any default and the steps being taken to cure said default, and (iii) any action taken or threatened to be taken by any party to the Ground Lease on account of the default; and (6) promptly notify Bank in writing of any request made by any party to the Ground Lease to the other party or parties thereto for arbitration or appraisal proceedings pursuant to the Ground Lease, and of the institution of any arbitration or appraisal proceedings, and promptly deliver to Bank a copy of the determination of the arbitrators or appraisers in each such proceeding.

2.2 Surrender of Leasehold Interest. So long as there is any balance due under the Obligations secured hereby, or any other indebtedness or obligations secured hereby, Mortgagor will not surrender nor permit the Ground Lease or any leasehold estate and interest therein to be surrendered, nor terminate or cancel or permit the termination or cancellation of the Ground Lease, and will not, without the prior written consent of Bank, modify, change, supplement, alter or amend the Ground Lease, either orally, in writing or electronically, and as further security for the repayment of the Obligations and other indebtedness and obligations hereby secured and for the performance of the covenants, agreements, obligations and conditions herein or in the Ground Lease contained, Mortgagor hereby assigns to Bank all of its rights, privileges and prerogatives under the Ground Lease to terminate, cancel, modify, change, supplement, alter and amend the Ground Lease and any such termination, cancellation, modification, change, supplement, alteration or amendment of the Ground Lease, without the prior written consent thereto by Bank, shall not be binding upon Bank or enforceable against Bank.

2.3 Defaults under Leasehold Interest. Mortgagor expressly grants to Bank and its authorized representatives and agrees that Bank and its authorized representatives shall have the absolute and immediate right, in Bank's sole discretion, to prevent or to cure any default by Mortgagor under the Ground Lease and in connection therewith, contact, negotiate and settle with the landlord and other parties to the Ground Lease, or enter in and upon the property identified in the Ground Lease or any part thereof to such extent and as often as Bank, in its sole discretion, deems necessary or desirable in order to prevent or to cure any such default by Mortgagor. Bank may pay and expend such sums of money as Bank, in its sole discretion, deems necessary for any purpose related to the Ground Lease, including, without limitation, all those listed in this **Section 2**, and Mortgagor hereby agrees to pay to Bank, immediately and without demand, all such sums so paid or expended by Bank, together with interest thereon from the date of each payment at the contract rate at which interest accrues from time to time on the Obligations hereby secured, or if interest accrues at different contract rates, any one of the contract rates which interest accrues as selected by Bank, in its sole discretion, which rate may be fixed or variable (the "Contract Rate"), with all sums so paid and expended by Bank, and the interest thereon at the Contract Rate, being added to and secured by the lien of this Mortgage.

2.4 Merger of Estates. Unless Bank shall otherwise expressly consent in writing, the title to the property demised by the Ground Lease and the leasehold estate thereunder shall not merge, but shall always remain separate and distinct, notwithstanding the union of such estates either in Mortgagor or in a third person by purchase or otherwise.

Section 3. Payment of Amounts Due under the Obligations. Mortgagor shall pay when due all amounts owing by it, and perform all other obligations required to be performed from time to time by it, under each and all of the Obligations and this Mortgage.

Section 4. Payment of Taxes, Assessments and other Amounts; Maintenance of Insurance.

4.1 Payment of Taxes, etc. Mortgagor covenants and agrees that it will pay when due, all taxes, assessments, levies and charges upon or against the Property and upon or against the Collateral, of every character which are now liens thereon and any which may hereafter become liens thereon; and immediately deliver to Bank official receipts therefor. Bank may, at its option, pay any such taxes, assessments, levies and charges against the Property and those against the Collateral, and the official receipts therefor shall be conclusive evidence of payment, the amount due and validity thereof. Any amounts so expended shall immediately become debts due by Mortgagor payable on demand, shall bear interest at the Contract Rate, and their payment shall be secured by this Mortgage.

4.2 Insurance. Mortgagor covenants and agrees that it will keep the Property and Collateral insured against loss and damage by fire, tornado and windstorm, and against such other hazards, events and circumstances as Bank may require, including, without limitation, business interruption, in amounts satisfactory to Bank, plus an amount sufficient to prevent any co-insurance liability against the owner of the Property or Bank, for the benefit of Bank, loss, if any, to be made payable in the policy or policies of insurance to Bank as its interest may appear, the loss payable clauses to be in such form as Bank may require. All insurance shall be in companies approved by Bank, the policies and renewals thereof shall, when issued, be immediately delivered to Bank to be held by it, and all insurance policies shall provide for at least thirty (30) days prior written notice of cancellation to Bank. Mortgagor will pay all

premiums for such insurance when due and immediately deliver to Bank official receipts therefor. To the extent Mortgagor does not so pay, Bank may, at its option, pay the same and any amounts so expended shall immediately become debts due by Mortgagor payable on demand, shall bear interest at the Contract Rate, and their payment shall be secured by this Mortgage. In the event of loss, Mortgagor will give immediate notice by mail to Bank, who may make proof of loss if not made promptly by Mortgagor. Each insurance company concerned is hereby authorized and directed to make payment of such loss directly to Bank, instead of Mortgagor and Bank jointly. The proceeds of any insurance, or any part thereof, may be applied by Bank, at its option, either to the reduction of the indebtedness hereby secured in such order as Bank so determines in its discretion or to the restoration or repair of the Property and the Collateral – unless applicable law prohibits Bank from electing between those two options, in which event the proceeds shall be applied as applicable law mandates.

4.3 Escrow Accounts. If required by Bank, Mortgagor agrees to pay and shall pay on the first day of each month or such other day as Bank may direct, to Bank or to its duly authorized representative, a sum equal to one-twelfth of the known or estimated (by Bank) yearly taxes, assessments and insurance premiums on or against the Property and the Collateral. Bank shall be under no obligation to pay interest on such payments, unless payment of interest is mandated under applicable law and then only the minimum amount required under applicable law. Bank shall hold and apply such payments to the payment of taxes, assessments and insurance premiums as and when due. If the total of such monthly payments shall exceed the amount needed, the excess shall be held for future needs, unless a different application is mandated under applicable law; but, should such monthly payments at any time fail to provide sufficient funds to pay taxes, assessments and insurance premiums when due, then Mortgagor shall, upon written demand, pay to Bank, within ten (10) days of receipt of such demand, the amount necessary to cover the deficiency. In the event of a foreclosure sale or deed-in-lieu thereof, Bank may apply any balance remaining of the funds accumulated for the above purposes to the payment of the indebtedness secured by this Mortgage, unless such application is prohibited under applicable law.

Section 5. Maintenance of the Property. Mortgagor covenants and agrees that (1) it will not commit or permit any waste to the Property and the Collateral, and will keep the Property and Collateral in as good order, repair and condition as it is now, reasonable wear and tear excepted, and (2) it will do and cause to be done – and refrain from doing and causing to be done – such acts relating to the Property and the Collateral as Bank may, from time to time, request. Bank shall have the right to inspect, at all reasonable times, the Property and Collateral, together with the books and records maintained and kept in connection therewith; and unhindered access thereto shall be permitted for that purpose to Bank and its authorized representatives, and Bank and its authorized representatives shall have the right to make such copies or other extracts of the aforementioned books and records as Bank and its representatives deem necessary and shall have the right to take possession of and remove the aforementioned books and records from the place or places at which they are kept by Mortgagor to such other place or places as Bank may select. In the event that such investigation reveals any matter constituting a breach of this covenant made by Mortgagor to Bank, then the costs of such investigation shall be reimbursed to Bank by Mortgagor, shall immediately become a debt due by Mortgagor payable on demand, shall bear interest at the Contract Rate, and shall be secured by this Mortgage.

Section 6. Financial Statements. Mortgagor covenants and agrees that it will from time to time furnish or cause to be furnished to Bank, without cost to Bank, such financial and operating statements and reports, in form and certified in a manner satisfactory to Bank, as may be required or otherwise requested by Bank.

Section 7. Assignment of Rents, Leases and Profits; Management of Property; Appointment of Receiver. As further security for the payment of the Obligations and the other indebtedness and obligations secured by this Mortgage, Mortgagor assigns to Bank all rents, profits, revenues, royalties, accounts, moneys, contract rights, leases, intangible rights and other benefits arising from, related to and otherwise connected to or flowing from the Property and the Collateral, all of which are a part of and included as a subset within the terms “Property” and “Collateral” (the rents, profits, etc. are collectively, the “Rents and Profits”); and Bank shall have the absolute and unconditional right, upon the occurrence of an Event of Default hereunder, or the occurrence of an event which, with the giving of notice or a lapse of time, or both, would become an Event of Default hereunder, either by entering upon and taking possession of either or both the Property and the Collateral, or otherwise, to rent or continue renting the same, at any reasonable rate of rent determined by Bank and to otherwise manage and operate the Property and the Collateral in such manner as it deems necessary or appropriate, to collect the Rents and Profits, and, after deducting from any Rents and Profits

actually collected from the management and operation of the Property and the Collateral the costs and expenses thereof (including, without limitation, payment of all expenses related to the Property and the Collateral as may be required or permitted under this Mortgage or which may be necessary to protect the security of this Mortgage, as Bank in its discretion deems appropriate), to apply the remainder to payment of the Obligations secured hereby and any other indebtedness and obligations secured hereby, in such order as Bank may determine, unless a specific order of application is mandated under applicable law. Also, Bank shall have the absolute and unconditional right to apply for and to obtain the appointment of a receiver or similar official for all or a portion of the Property and the Collateral, to, among other things, manage and operate the Property and the Collateral, or any part thereof or interest therein, and to collect and apply the Rents and Profits as provided above. In the event of such application, Mortgagor consents to the appointment of such receiver or similar official and agrees that such receiver or similar official may be appointed without notice to Mortgagor (unless notice is mandated under applicable law and then with only such minimum notice as may be mandated under applicable law), without regard to the adequacy of any security for the indebtedness secured hereby and without regard to the solvency of Mortgagor or any other person who may be liable for the payment of the Obligations or any other indebtedness or obligations secured hereunder – unless thresholds for adequacy of security or solvency are mandated by applicable law and then with only the minimum thresholds so mandated. All expenses related to the appointment of a receiver or other similar official hereunder shall be the responsibility of Mortgagor, but if paid by Bank, Mortgagor hereby agrees to pay to Bank, immediately and without demand, all such expenses, together with interest thereon from the date of payment of the same at the Contract Rate. All sums so paid by Bank, and the interest thereon, shall be added to and be secured by the lien of this Mortgage.

Section 8. Condemnation. Unless otherwise prohibited by applicable law, Mortgagor covenants and agrees that the condemnation, or other taking by eminent domain or other proceeding, of the Property and the Collateral, or any part of or interest, right or estate in either or both, shall be an Event of Default under this Mortgage and shall entitle Bank to exercise, at its option, any and all rights and remedies provided to Bank under this Mortgage upon the occurrence of an Event of Default; and, in addition to its other rights and remedies upon the occurrence of an Event of Default, Bank is hereby authorized and empowered and shall have the right and option to apply for, collect and receive the awards or payments made in connection with such condemnation or other proceeding and to apply them in whole or in part in reduction of the Obligations and the other indebtedness and obligations secured by this Mortgage in such order as Bank, in its discretion, may elect, or such order as may be otherwise mandated by applicable law, if any. Mortgagor agrees to execute such further assignments of any such awards or payments as Bank may require and agrees that notwithstanding anything herein to the contrary, the liens and security interests created and established by this Mortgage shall extend to and encumber the awards or payments made in connection with such condemnation or other proceeding.

Section 9. Sale or Transfer of Property; Junior Liens. Except as provided in the **Information Schedule** under the heading “Jurisdiction Specific Provisions”, Mortgagor covenants and agrees that the sale, conveyance-in-lieu-of-condemnation, lease, demise, further encumbrance (including, without limitation, by way of mortgage, deed of trust, security deed, deed to secure debt, declaration of trust, assignment, pledge or security agreement), transfer or other disposition by Mortgagor, either directly or indirectly, voluntarily or involuntarily, of all or any part of the Property or the Collateral, or any interest, right or estate in either or both, without Bank’s prior written consent, which may be withheld in Bank’s sole discretion, shall be an Event of Default under this Mortgage and shall entitle Bank to exercise, at its option, any and all rights and remedies provided to Bank under this Mortgage upon the occurrence of an Event of Default.

Section 10. Security Agreement; Harmonization of Conflicts. Mortgagor hereby grants to Bank a security interest in the Collateral and any of the Property constituting personal property for the purpose of securing the payment of the Obligations, with interest thereon, and extensions, renewals, modifications and amendments thereof, or substitutions and replacements therefor, in whole or in part, the payment of all other sums, with interest thereon, at the Contract Rate, advanced in accordance with the Obligations or hereunder to protect the security of this Mortgage, or advanced to protect the rights of Bank hereunder or under the Obligations, and to secure the performance of the covenants and agreements contained herein and in the Obligations. This Mortgage constitutes a “security agreement” with respect to the Collateral and the Property constituting personal property as that term is now or hereafter used in the Uniform Commercial Code as enacted in the jurisdiction whose laws govern this Mortgage, and Bank shall have all of the rights and remedies provided to a secured party now or hereafter under the Uniform

Commercial Code as enacted in such jurisdiction, including, without limitation, the right to proceed against the Collateral and the Property constituting personal property in accordance with the provisions of the Uniform Commercial Code relating to default and enforcement of a security interest by a secured party, or to proceed as to the Collateral and the Property, including, without limitation, that which constitutes personal property, in accordance with laws applicable to foreclosure of real estate interests in the jurisdiction whose laws govern this Mortgage, as provided herein. Mortgagor hereby authorizes Bank to file one or more financing statements as Bank deems necessary or appropriate to evidence or protect Bank's security interest in and to the Collateral and any of the Property constituting personal property. If Mortgagor has executed and delivered to Bank a separate security agreement or agreements in connection with any or all of the Obligations, that security agreement or those security agreements and the security interests created therein shall be in addition to and not in substitution of this Mortgage and the liens and security interests created hereby and this Mortgage shall be in addition to and not in substitution of the other security agreement or agreements and the security interests created thereby. In all cases this Mortgage and the aforesaid security agreement or agreements, as well as all other evidences and records of any and all of the Obligations and agreements of other persons who may be obligated on any of the Obligations, shall be applied and enforced in harmony with and in conjunction with each other to the end that Bank realizes fully upon its rights and remedies in each and the liens and security interests created by each; and, to the extent conflicts exist between this Mortgage and the other security agreements or records, they shall be resolved in favor of Bank for the purpose of achieving the full realization of Bank's rights and remedies and the liens and security interests as aforesaid.

Section 11. Hazardous Substances; Public Health and Safety.

11.1 Compliance with Laws. Mortgagor represents and warrants to Bank, after due inquiry and investigation, that while Bank has any interest in or lien upon the Property, the Property and Collateral is and at all times hereafter will continue to be in substantially full compliance with all applicable federal, state and local laws, regulations, ordinances, directives, orders, guidelines and advisory opinions, including, without limitation, (i) environmental laws, regulations, ordinances, directives, orders, guidelines and advisory opinions, (ii) laws, regulations, ordinances, directives, orders, guidelines and advisory opinions relating to access to, from, in, around and over the Property by persons with physical or other disabilities (e.g. Americans With Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) and regulations and guidelines promulgated thereunder and any similarly motivated state and local laws and regulations) and (iii) other laws, regulations, ordinances, directives, orders, guidelines and advisory opinions relating to public health, welfare and safety. Mortgagor further represents and warrants to Bank, after due inquiry and investigation: (1) as of the date hereof, (i) there are no hazardous materials, substances, wastes or other environmentally regulated, controlled or sensitive materials or substances, including, without limitation, any oil, gas or other petroleum related products, any lead based paints, any materials containing asbestos or any biological, chemical or nuclear contaminated materials or substances, located on, in or under the Property or used in connection with the Property or the Collateral, and (ii) there are no harmful or hazardous levels or concentrations of mold, spores or other fungi on, in or under the Property and there are no harmful or hazardous levels or concentrations of radon or other similar gases on, in or under the Property (collectively (i) and (ii), "hazardous substances"); or (2) Mortgagor has fully disclosed to Bank, in writing, the existence, extent and nature of any such hazardous substances, and (i) Mortgagor is legally authorized and empowered to maintain such hazardous substances on, in or under the Property or use them in connection with the Property or the Collateral, (ii) as represented in the first sentence of this Section, such hazardous substances are being used, maintained and controlled in substantially full compliance with all applicable federal, state and local laws, regulations, ordinances, directives, orders, guidelines and advisory opinions and (iii) Mortgagor has obtained and will constantly maintain all licenses, permits and approvals required with respect thereto, and is and will remain in substantially full compliance with all of the terms, conditions and requirements of such licenses, permits and approvals.

11.2 Notices. Mortgagor represents and warrants to Bank that it will promptly notify Bank of the existence of, or any change in the nature or extent of any hazardous substances located or maintained on, in or under the Property or used in connection with the Property or Collateral. Mortgagor has, as of the date hereof, delivered to Bank copies of any citations, orders, notices and other correspondence or communication (collectively, the "regulatory notices") received by Mortgagor with respect to any hazardous substances affecting the Property or Collateral and copies of any regulatory notices known to Mortgagor and received by any other present or former owner or occupant of the Property or Collateral with respect to any hazardous substances affecting the Property or

Collateral. Mortgagor covenants and agrees to immediately transmit to Bank copies of any regulatory notices received with respect to any hazardous substances affecting the Property or Collateral.

11.3 Indemnification. Mortgagor shall indemnify and hold Bank harmless from and against any and all damages, penalties, fines, claims, liens, suits, liabilities, costs (including, without limitation, clean-up costs), judgments and expenses (including, without limitation, attorneys', consultants' and experts' fees and expenses) of every kind and nature suffered by or asserted against Bank as a direct or indirect result of: (1) any warranty or representation made by Mortgagor in this **Section 11** being false or untrue in any material respect; (2) any breach by Mortgagor of a covenant or agreement in this **Section 11**; or (3) any requirement under any federal, state or local law, regulation, ordinance, directive, order, guideline or advisory opinion which requires the elimination, removal, containment or control of any hazardous substances. Mortgagor's obligations hereunder to Bank shall not be limited by the term of the Obligations secured hereby, and, as to any act or event occurring prior to payment in full and satisfaction of the Obligations and all other indebtedness and obligations under this Mortgage, Mortgagor's obligations hereunder shall continue, survive and remain in full force and effect notwithstanding payment in full and satisfaction of the Obligations and this Mortgage or foreclosure under this Mortgage or delivery of a deed-in-lieu of foreclosure.

Section 12. Third Party Mortgagors. Any Mortgagor who executes this Mortgage but is not a party to or obligated on any of the Indebtedness included in the Obligations, is executing this Mortgage to mortgage, grant and convey Mortgagor's interest in the Property and the Collateral under the terms of this Mortgage and, except as otherwise provided in this Mortgage with respect to obligations of Mortgagor hereunder or referred to in this Mortgage, is not personally obligated to pay the sums secured by this Mortgage over and above the value of the Property and the Collateral and the loss such Mortgagor will incur from a foreclosure thereon or from delivery of a deed-in-lieu of foreclosure.

Section 13. Anti-Money Laundering and Anti-Terrorism. Mortgagor represents, warrants and covenants to Bank as follows: (1) Mortgagor (a) is not and shall not become a person whose property or interest in property is blocked or subject to blocking pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)), (b) does not engage in and shall not engage in any dealings or transactions prohibited by Section 2 of such executive order, and is not and shall not otherwise become associated with any such person in any manner violative of Section 2, (c) is not and shall not become a person on the list of Specially Designated Nationals and Blocked Persons, and (d) is not and shall not become subject to the limitations or prohibitions under any other U.S. Department of Treasury's Office of Foreign Assets Control regulation or executive order; (2) Mortgagor is and shall remain in compliance, in all material respects, with (a) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (b) the Uniting And Strengthening America By Providing Appropriate Tools Required To Intercept And Obstruct Terrorism (USA Patriot Act of 2001); and (3) Mortgagor has not and shall not use all or any part of the proceeds, advances or other amounts or sums constituting or evidenced by the Obligations, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

Section 14. Events of Default; Remedies upon Default.

14.1 Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" hereunder: (1) the occurrence of an event of default or other default condition under any or all of the Obligations; (2) Mortgagor's breach of any of the terms, conditions or covenants contained in this Mortgage or the occurrence of some other default under this Mortgage; (3) the actual or threatened demolition, injury or waste to the Property, the Collateral, or any part of either or both, which, in the sole opinion of Bank, may impair its value, or the actual or threatened decline in value of the Property or the Collateral; (4) the Property, the Collateral, or any part of either or both, or interest therein, is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity and such attachment, seizure,

writ or distress warrant or levy has not been removed, discharged or rescinded within ten (10) days, or if Mortgagor is enjoined, restrained or in any way prevented by court order from continuing to conduct all or any material part of its business affairs, or if a judgment or other claim becomes a lien or encumbrance upon all or any part of the Property or Collateral or any interest therein, or if a notice of lien, levy or assessment is filed of record with respect to the Property or Collateral, or any part thereof or interest therein, by any person, and the same is not paid within ten (10) days after Mortgagor receives notice thereof, provided that none of the foregoing shall constitute an Event of Default where such action or event is stayed or an adequate bond has been posted pending a good faith contest by Mortgagor; (5) the insolvency of Mortgagor or any other person obligated on any of the Obligations, or the appointment of a receiver for, or the filing of a petition of bankruptcy by or against Mortgagor or any person obligated on any of the Obligations; (6) Mortgagor's default in or breach of the Ground Lease, if applicable, or any of the terms, conditions, covenants or agreements contained in any separate assignment of leases given as additional security for the Obligations; (7) Mortgagor's default under the terms of any instrument or other agreement to which this Mortgage is subordinate or which is subordinate to this Mortgage, or the execution or foreclosure on, or the giving of any notice relative to the execution or foreclosure on any security interest in or lien upon the Property or the Collateral, or any part thereof or any interest therein, to which the security interest and lien of this Mortgage is subordinate or which is subordinate to the security interest and lien of this Mortgage; (8) default by Mortgagor, or any other person obligated thereon (other than Bank), in keeping, performing or observing any term, covenant, agreement or condition of any commitment letter upon which all or any portion of any of the Obligations was predicated, or the default by Mortgagor, or any other person obligated thereunder, under any other loan document executed or delivered by Mortgagor or on behalf of Mortgagor, or such other person, to or in favor of Bank in connection with any of the Obligations; (9) any past, present or future false statement, misrepresentation or withholding of facts by Mortgagor, or any other person obligated on any of the Obligations, to or from Bank in connection with any of the Obligations or this Mortgage, including, without limitation, any false statement, misrepresentation or withholding of facts relative to the Property or the Collateral or in any loan application or other document provided by Mortgagor or such other person to Bank or its representatives, or in any presentation made by Mortgagor or such other person to Bank or its representatives, as to any matter relied upon by Bank in evaluating whether to extend financing to Mortgagor or such other person; (10) default by Mortgagor, or any other person obligated on any of the Obligations, under any indebtedness or other obligation that is not included within the term "Obligations", now owing or which hereafter arises and is owing by Mortgagor or such other person to Bank, or if Mortgagor is an organization and not an individual, default by any subsidiary of Mortgagor under any indebtedness or other obligation now owing or which hereafter arises and is owing by any such subsidiary to Bank regardless of whether such subsidiary is or may in the future be obligated on any of the Obligations; or (11) a determination by Bank that the prospect of payment or performance by Mortgagor, or any other person obligated on any of the Obligations, under all or any of the Obligations is insecure or that a material adverse change in the financial condition of Mortgagor or such other person has occurred since the effective date of this Mortgage.

14.2 Rights and Remedies. Upon the occurrence of an Event of Default under **Section 14.1** or any other event defined in this Mortgage as an "Event of Default", or the occurrence of an event which, with the giving of notice or a lapse of time, or both, would become an Event of Default hereunder, Bank shall have the rights and remedies set forth in **Sections 14.2.1 through 14.2.4.**, in addition to its other rights and remedies set forth in this Mortgage.

14.2.1 Accelerate Obligations. Bank shall have the right, at its option, to declare all amounts payable under any or all of the Obligations, as well as any or all of the other indebtedness and obligations secured hereby that are not already due hereunder, to be immediately due and payable without demand or any notice (unless notice is required under any of the Obligations or by law, then such notice as may be required under the Obligations or by law), whereupon the same shall become immediately due and payable, regardless of the maturity date thereof.

14.2.2 Protection of Security. Bank, without any obligation on its part to determine the validity or necessity thereof, may do and cause to be done any one or more of the following: (1) pay the sums for which Mortgagor is obligated, (2) perform or cause to be performed the obligations of Mortgagor, or (3) take such other actions as Bank deems necessary to maintain, protect, repair, restore and preserve the Property and the Collateral, and the lien created by this Mortgage, and, in connection therewith, Bank may advance, pay or expend such sums as may be proper or necessary for the maintenance, protection, repair, restoration and preservation of the Property and the Collateral, to maintain insurance (including, without limitation, title insurance), to provide security guards and

systems to protect the Property and the Collateral and intervene in any condemnation, foreclosure and other proceedings or disputes affecting the Property or the Collateral. Mortgagor hereby agrees to pay to Bank, immediately and without demand, all such sums so advanced, paid or expended, together with interest thereon from the date of each payment at the Contract Rate. All sums so advanced, paid or expended by Bank, and the interest thereon, shall be added to and be secured by the lien of this Mortgage. Any amounts advanced, paid or expended shall be at Bank's sole option and shall not constitute a waiver of any Event of Default or right arising from the occurrence of an Event of Default.

14.2.3 Foreclosure. Bank shall have the right, at its option, to exercise the rights and remedies set forth in the **Information Schedule** under the heading "Jurisdiction Specific Provisions". In any foreclosure sale or sales, the Bank shall have the right to sell or cause to be sold either or both the Property and the Collateral, or parts thereof or interests therein, subject to any liens, security interests and other encumbrances and rights which are subordinate to the lien and security interest hereof, including, without limitation, any leases which may be subordinate hereto; and any such sale or sales shall not release Mortgagor or any other person obligated on the Obligations or the other indebtedness and obligations secured hereby, and shall not provide to them any claim or defense in any action or proceeding brought hereunder by Bank or otherwise brought by Bank to collect full payment of the indebtedness and other obligations secured hereby.

14.2.4 Discontinuance of Proceedings; Position of Parties Restored. If Bank shall have proceeded to enforce any right or remedy under this Mortgage by foreclosure, entry or otherwise and such proceedings shall have been discontinued or abandoned for any reason, or such proceedings shall have resulted in a final determination adverse to Bank, then and in every such case, Mortgagor and Bank shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Bank shall continue as if no such proceedings had occurred or had been taken.

Section 15. Miscellaneous.

15.1 Incorporation of Exhibits. All exhibits, supplements, schedules, addenda and other attachments to this Mortgage are by this reference incorporated herein and made a part hereof as if fully set forth in the body of this Mortgage. The recitals set forth in this Mortgage are also a part of this Mortgage.

15.2 Maintenance of Records by Bank. Bank is authorized to maintain, store and otherwise retain evidences of the Obligations, this Mortgage, any separate security agreements and other agreements executed or delivered or to be executed or delivered by Mortgagor or others on Mortgagor's behalf to Bank in their original, inscribed tangible form or a record thereof in an electronic medium or other non-tangible medium which permits such record to be retrieved in a perceivable form.

15.3 Accuracy of Information Regarding Mortgagor. Mortgagor represents to Bank the information contained in this Mortgage and other information provided to Bank by or on behalf of Mortgagor is true, accurate and correct and Mortgagor agrees to promptly inform Bank in writing of any changes therein or any inaccuracies thereto, such notices to be addressed to Bank and mailed, postage prepaid, to Bank's address set forth herein.

15.4 Credit Investigations; Sharing of Information; Control Agreements. Bank is irrevocably authorized by Mortgagor to make or have made such credit investigations as it deems appropriate to evaluate Mortgagor's credit, personal and financial standing and employment. Mortgagor authorizes Bank to share with consumer reporting agencies and creditors its experiences with Mortgagor and other information in Bank's possession relative to Mortgagor, the Property and the Collateral, but Bank shall not have any obligation to (1) provide information to third persons relative to any of the foregoing or otherwise, (2) subordinate its liens and security interests in the Property and in the Collateral and (3) enter into control agreements and other agreements relative thereto.

15.5 No Deductions for Taxes or Withholdings; Documentary Taxes. All payments made by Mortgagor under this Mortgage shall be made by Mortgagor free and clear of and without deduction for any and all present and future taxes, levies, charges, deductions and withholdings, and if any present or future applicable law requires such deduction or imposes a tax, levy or charge on this Mortgage or Bank's interest hereunder which is required to be

paid by Bank, the same shall be an Event of Default and Bank may exercise, at its option, any and all rights and remedies provided to Bank hereunder upon the occurrence of an Event of Default. In addition, to the extent not prohibited by applicable law and notwithstanding who is liable for payment of the taxes or fees, Mortgagor shall pay upon demand any stamp tax, documentary tax, intangible tax and other taxes, levies and charges of any jurisdiction with respect to the execution, delivery, registration, performance and enforcement of this Mortgage.

15.6 Marshalling of Assets. Mortgagor hereby waives, to the extent permitted by law, the benefit of all homestead, appraisal, valuation, stay, extension, reinstatement and redemption laws now in force and any hereafter arising and in force and all rights of marshalling in the event of any sale hereunder of the Property, the Collateral or any part or any interest in either or both. Further, Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on behalf of Mortgagor, and on behalf of each and every person acquiring any interest in or title to the Property or the Collateral subsequent to the date of this Mortgage and on behalf of all other persons to the extent permitted by law.

15.7 Waiver of Statutory Rights. Mortgagor waives any right to require Bank to bring any action against any other person or to require that resort be had to any security or to any balances of any deposit or other accounts on the books of Bank in favor of any other person; and, without limiting the foregoing, but in furtherance thereof, Mortgagor waives any rights Mortgagor otherwise might have or have had under the statutory provisions identified in the **Information Schedule** under the heading "Jurisdiction Specific Provisions", or any other laws that require or may require Bank to recover against some other person, or to realize upon any security which Bank holds for the Obligations. Mortgagor also waives any and all right of subrogation, contribution, reimbursement and indemnity whatsoever or any right of recourse to or with respect to the assets or property of any person that is or may be security for the Obligations.

15.8 JURY; VENUE; JURISDICTION. THIS MORTGAGE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE JURISDICTION LISTED ON THE INFORMATION SCHEDULE AS THE JURISDICTION WHOSE LAWS GOVERN THIS MORTGAGE, EXCLUDING, HOWEVER, THE CONFLICT OF LAW AND CHOICE OF LAW PROVISIONS THEREOF. MORTGAGOR, TO THE EXTENT PERMITTED BY LAW, WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION ARISING FROM OR RELATED TO THIS MORTGAGE.

15.9 Cumulative Rights, etc. The rights, powers and remedies of Bank under this Mortgage shall be in addition to all rights, powers and remedies given to Bank at law and in equity, and in any other agreement, all of which rights, powers and remedies shall be cumulative and may be exercised by Bank from time to time and at any number of times successively, concurrently and alternatively without impairing Bank's rights under this Mortgage.

15.10 No Waiver; No Course of Dealing; No Invalidity. Bank, at any time or times, may grant extensions of time for payment or other indulgences or accommodations to any person obligated on any of the Obligations, or permit the renewal, amendment or modification thereof or substitution or replacement therefor, or permit the substitution, exchange or release of any property securing any of the Obligations and may add or release any person primarily or secondarily liable on any of the Obligations, all without releasing Mortgagor from any of its liabilities and obligations under this Mortgage and without Bank waiving any of its rights and remedies under this Mortgage, or otherwise. No delay or forbearance by Bank in exercising any or all of its rights and remedies hereunder or rights and remedies otherwise afforded by law or in equity shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any Event of Default as set forth herein or in the event of any subsequent Event of Default hereunder. Also, no act or inaction of Bank under this Mortgage shall be deemed to constitute or establish a "course of performance or dealing" that would require Bank to so act or refrain from acting in any particular manner at a later time under similar or dissimilar circumstances. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

15.11 No Oral Change. Subject to the exercise by Bank of its rights and remedies as set forth in this Mortgage and without limiting any of such rights and remedies, this Mortgage, and any provisions hereof, may not

be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Mortgagor or Bank, but only by an agreement in writing, signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

15.12 No Usury. Bank does not intend to and shall not reserve, charge or collect interest, fees or charges hereunder in excess of the maximum rates or amounts permitted by applicable law. If any interest, fees or charges are reserved, charged or collected in excess of the maximum rates or amounts, it shall be construed as a mutual mistake by Bank, Mortgagor and the person making the payment if different from Mortgagor, and appropriate adjustments shall be made by Bank and to the extent paid, the excess shall be returned to the person making such a payment.

15.13 Power of Attorney; Financing Statements. Mortgagor does hereby irrevocably constitute and appoint Bank its true and lawful attorney with full power of substitution, for it and in its name, place and stead, to execute, deliver or file such agreements, documents, notices, financing statements and records as Bank, in its sole discretion, deems necessary or advisable to effect the terms and conditions of this Mortgage and to otherwise protect the security of the liens and security interests created by this Mortgage; and, to the extent Bank deems necessary or appropriate, to make public in financing statements or other public filings such information regarding Mortgagor as Bank deems necessary or appropriate, including, without limitation, federal tax identification numbers, social security numbers and other identifying information. The foregoing appointment is and the same shall be coupled with an interest in favor of Bank.

15.14 Payment of Expenses. Without limiting any other provision of this Mortgage relating to Mortgagor's payment of costs and expenses incurred by Bank and those incurred on behalf of Bank, but in addition thereto, Mortgagor shall pay to Bank, on demand, any and all costs and expenses, including, without limitation, legal expenses and attorneys' fees, fees of legal assistants and fees and expenses of other professionals and service providers, incurred or paid by Bank and those incurred or paid on behalf of Bank in doing any one or more of protecting its interest in the Property and the Collateral, collecting any amount payable hereunder or secured hereby, and enforcing its rights hereunder with respect to the Property and the Collateral (including, without limitation, commencing any foreclosure action or prosecuting or defending any legal or equitable proceeding), together with interest thereon at the Contract Rate from the date paid or incurred by or on behalf of Bank until such costs and expenses are paid by Mortgagor. All sums so paid or expended by Bank, and the interest thereon, shall be added to and be secured by the lien of this Mortgage.

15.15 Relationship of Parties; Successors and Assigns. The relationship of Bank to Mortgagor is that of a creditor to an obligor or debtor; and in furtherance thereof and in explanation thereof, Bank has no fiduciary, trust, guardian, representative, partnership, joint venturer or other similar relationship to or with Mortgagor and no such relationship shall be drawn or implied from this Mortgage or any of Bank's actions or inactions hereunder or with respect hereto – and, Bank has no obligation to Mortgagor or any other person relative to administration of the Obligations secured by this Mortgage or the Property or Collateral, or any part or parts thereof or interests therein. The covenants, terms and conditions herein contained shall bind, and the benefits and powers shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties hereto, as well as any persons who become bound to this Mortgage as a debtor, but nothing herein contained shall alter or negate the provisions of **Section 9**. If two or more persons have joined as Mortgagor, each of the persons shall be jointly and severally obligated to perform the obligations herein contained. The term "Bank" shall include any payee of the Obligations or other indebtedness or obligations hereby secured and any transferee or assignee thereof, whether by operation of law or otherwise, and Bank may transfer, assign or negotiate all or any of the Obligations or other indebtedness or obligations secured by this Mortgage from time to time without the consent of Mortgagor and without notice to Mortgagor and any transferee or assignee of Bank or any transferee or assignee of another may do the same without Mortgagor's consent and without notice to Mortgagor. Mortgagor waives and will not assert against any transferee or assignee of Bank any claims, defenses, set-offs or rights of recoupment which Mortgagor could assert against Bank, except defenses which Mortgagor cannot waive.

15.16 Notices. All notices, certificates, requests for information and other communications hereunder shall be deemed given when mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to

the addresses of the parties as set forth in this Mortgage. Mortgagor and the Bank may, by written notice given hereunder, designate a different address where communications should be sent and Bank may direct, by notice to Mortgagor, for communications to be sent electronically or in some other non-tangible medium.

15.17 Use and Application of Terms. To the end of achieving the full realization by Bank of its rights and remedies under this Mortgage, including payment in full of the Obligations, in using and applying the various terms, provisions and conditions in this Mortgage, the following shall apply: (1) the terms “hereby”, “hereof”, “herein”, “hereunder”, and any similar words, refer to this Mortgage; (2) words in the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular numbered meaning include the plural number, and vice versa; (3) words importing persons include firms, companies, associations, general partnerships, limited partnerships, limited liability partnerships, limited liability limited partnerships, limited liability companies, trusts, business trusts, corporations and other legal organizations, including public and quasi-public bodies, as well as individuals; (4) the use of the terms “including” or “included in”, or the use of examples generally, are not intended to be limiting, but shall mean, without limitation, the examples provided and others that are not listed, whether similar or dissimilar; (5) the phrase “costs and expenses”, or variations thereof, shall include, without limitation, reasonable attorneys’ fees and fees of legal assistants, and reasonable fees of accountants, engineers, surveyors, appraisers and other professionals or experts – and all references to attorneys’ fees or fees of legal assistants, or fees of accountants, engineers, surveyors, appraisers or other professionals or experts shall mean reasonable fees; (6) as the context requires, the word “and” may have a joint meaning or a several meaning and the word “or” may have an inclusive meaning or an exclusive meaning; (7) the term “subsidiary” means any registered organization or other organization (i) the majority (by number of votes) of the outstanding voting interests of which is at the time owned or controlled by Mortgagor, or by one or more subsidiaries of Mortgagor, or Mortgagor and one or more subsidiaries of Mortgagor, or (ii) otherwise controlled by or within the control of Mortgagor or any subsidiary; (8) all terms used in this Mortgage that are not defined in this Mortgage or in the Obligations secured hereby, but are defined in the Uniform Commercial Code in effect in the jurisdiction whose laws govern this Mortgage, shall have the meaning ascribed to such terms from time to time in said Uniform Commercial Code; (9) any reference contained in this Mortgage to specific statutes or laws shall include any successor statutes or laws, as the case may be; (10) headings and captions used in this Mortgage are for convenience only, and shall not be used to interpret, construe, define, limit or expand the terms and conditions of this Mortgage; (11) this Mortgage shall not be applied, interpreted and construed more strictly against a person because that person or that person’s attorney drafted this Mortgage; and (12) “Mortgage” means this Mortgage, Assignment of Rents and Security Agreement, together with any and all extensions, renewals, amendments, modifications, restatements, substitutions and replacements hereof or herefor.

15.18 Cancellation and Period of Mortgage. If at any time during the period of this Mortgage there is no indebtedness outstanding under any of the Obligations, no obligation of Bank to make any further or additional advances to any person under the Obligations, and all indebtedness and other obligations due and owing under this Mortgage and the Obligations, whether by Mortgagor, some other person or Mortgagor and some other person (jointly and severally), have been paid and satisfied in full, Bank will, upon written request of Mortgagor and at Mortgagor’s costs and expense (including, without limitation, attorneys’ fees) if permitted by applicable law, execute and deliver to Mortgagor a reconveyance or satisfaction of this Mortgage. Unless earlier cancelled as provided in the preceding sentence and without extending the due date of any payment and the date of performance of any obligation under any of the Obligations and under this Mortgage as set forth herein and therein, and assuming no other provision in this Mortgage specifically provides to the contrary, the period of this Mortgage (including its lien and security interest) and the period by which all of the terms and conditions of this Mortgage are required to be finally and fully performed shall be a date thirty (30) years from the effective date of this Mortgage.

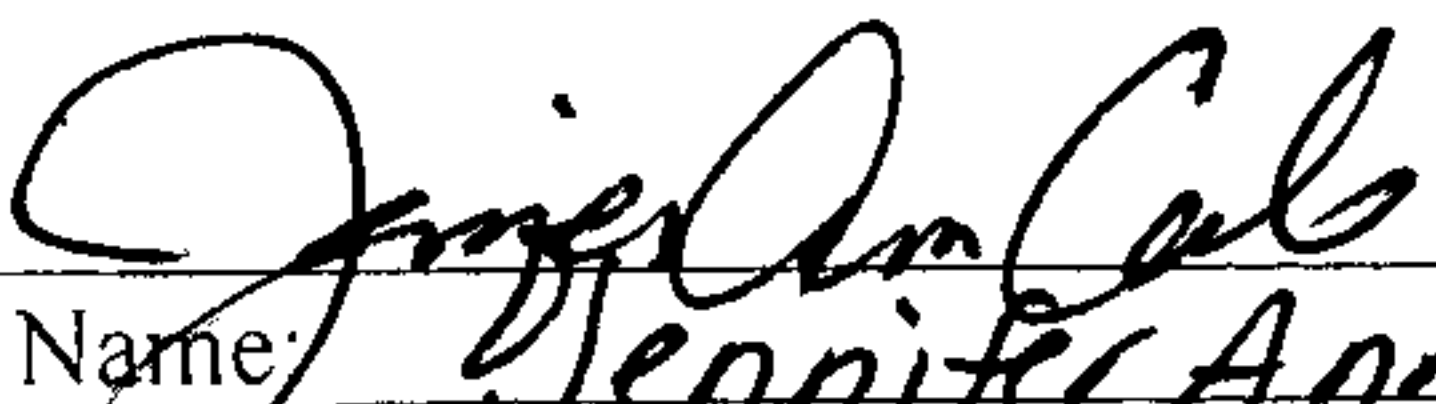
(Signatures Begin on the Next Page, Followed by Information Schedule, Attachments, Etc.)

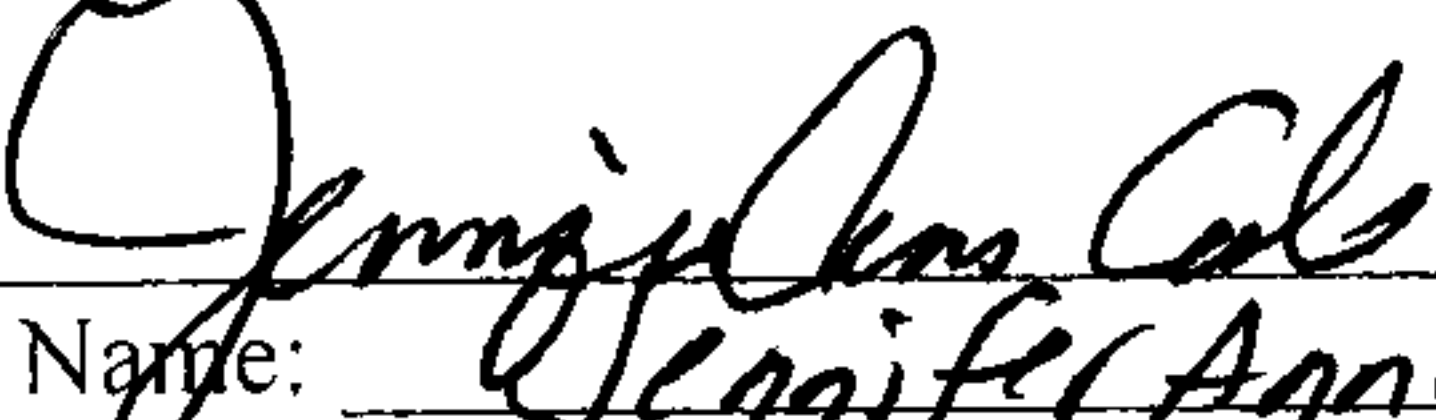
The undersigned has executed this Mortgage as of the effective date stated above.

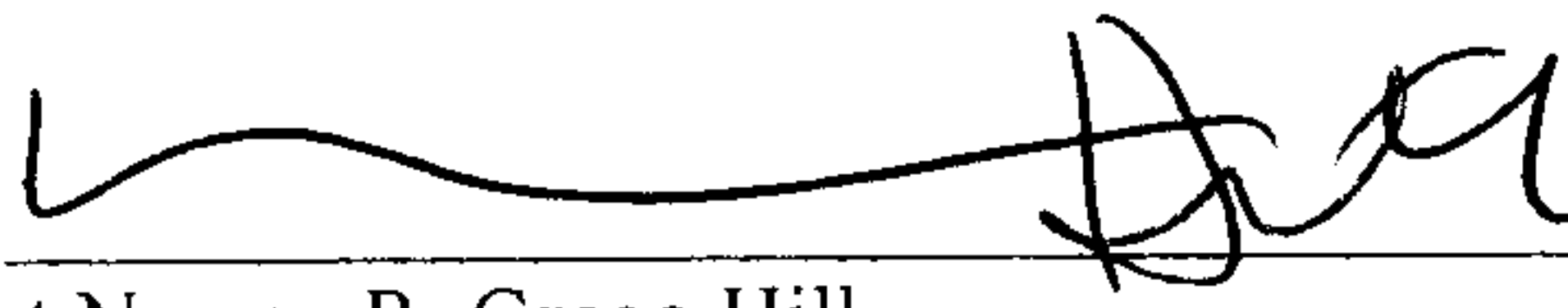
WITNESS:

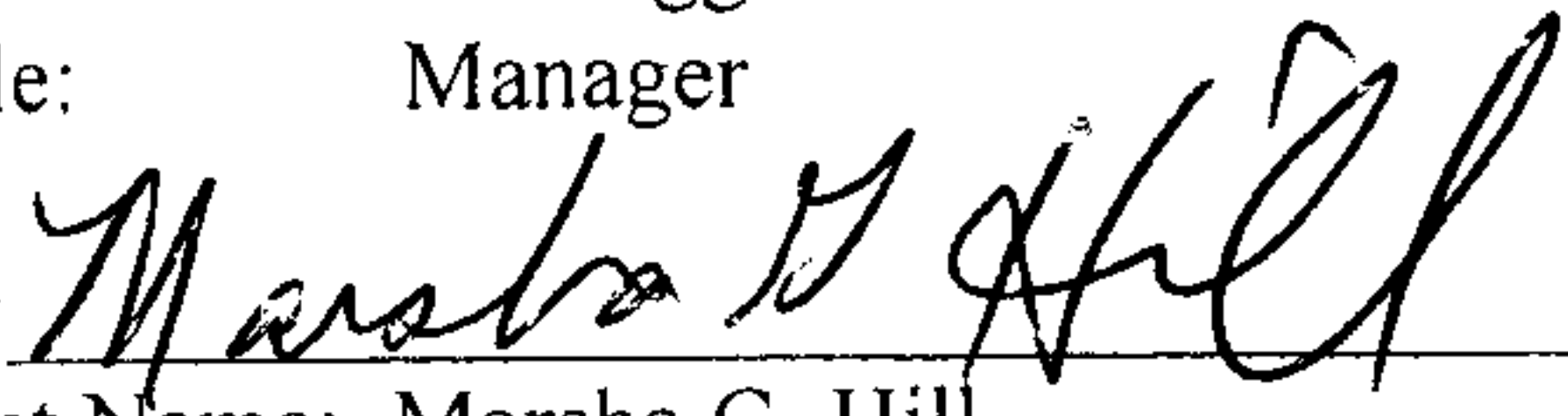
MORTGAGOR:

HILL/GRAY SEVEN, L.L.C.


Print Name: Jennifer Ann Cole


Print Name: Jennifer Ann Cole

By: 
Print Name: R. Gregg Hill
Title: Manager

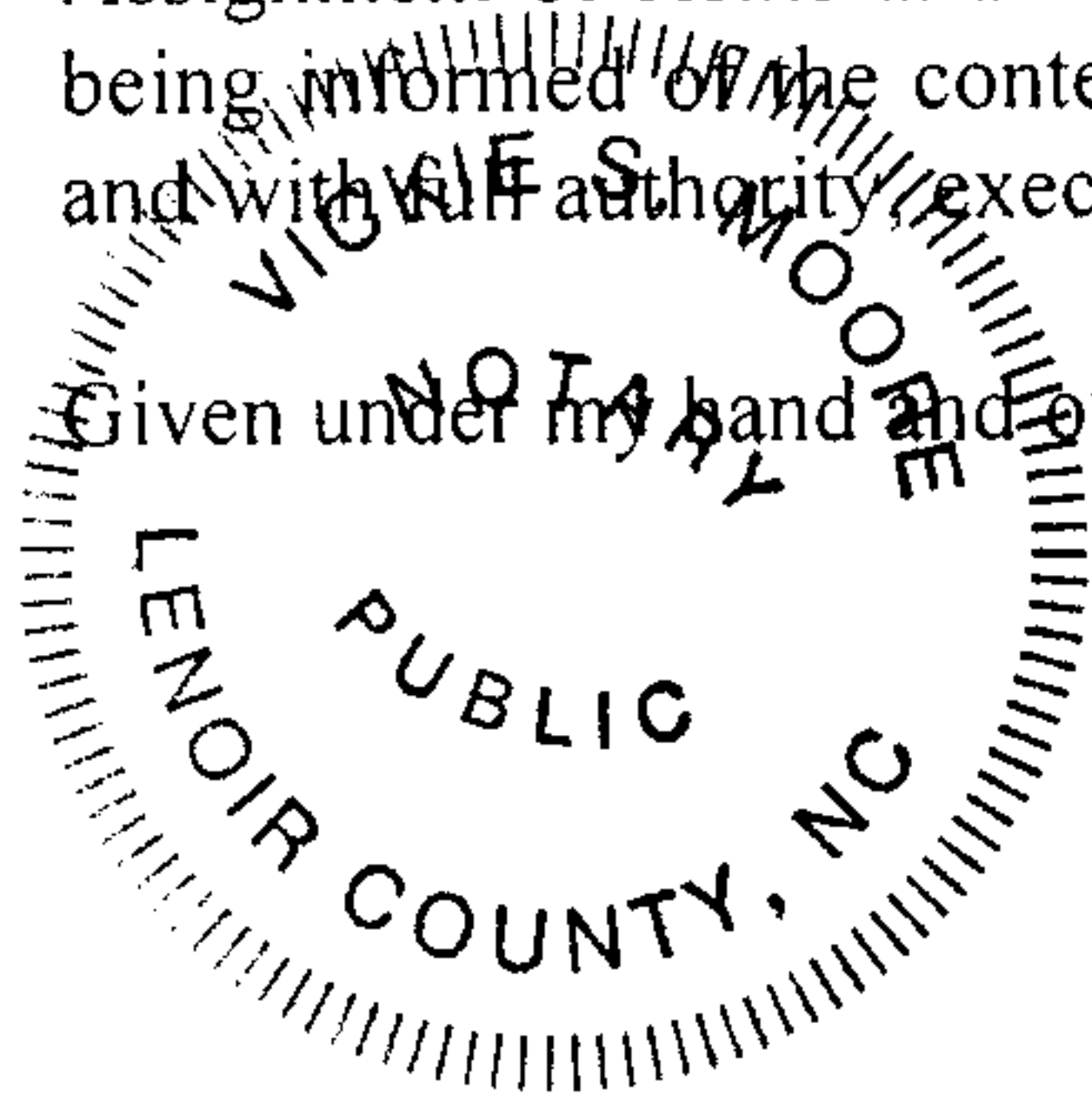
By: 
Print Name: Marsha G. Hill
Title: Manager

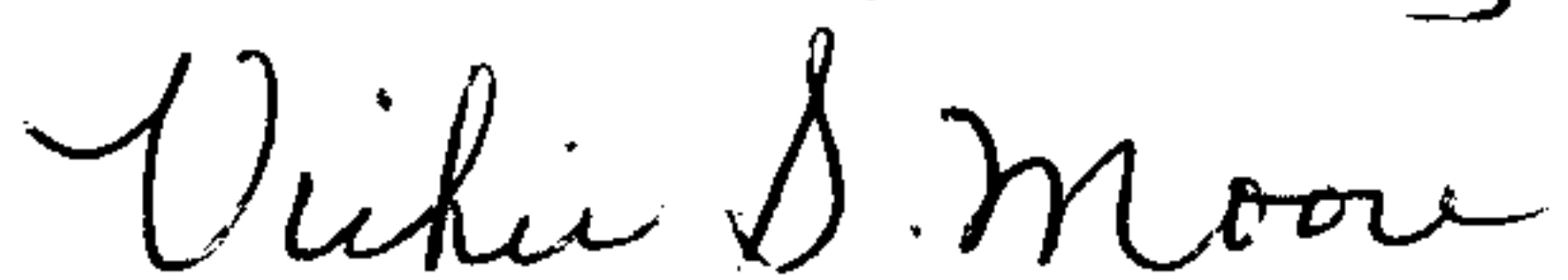
ACKNOWLEDGMENT

STATE OF North Carolina
COUNTY OF Lenoir

I, the undersigned Notary Public in and for said County, in said State, hereby certify that R. Gregg Hill, whose name as Manager of Hill/Gray Seven, L.L.C., a Florida limited liability company, is signed to the foregoing Mortgage, Assignment of Rents and Security Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Mortgage, Assignment of Rents and Security Agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal, this 16th day of February, 2011.



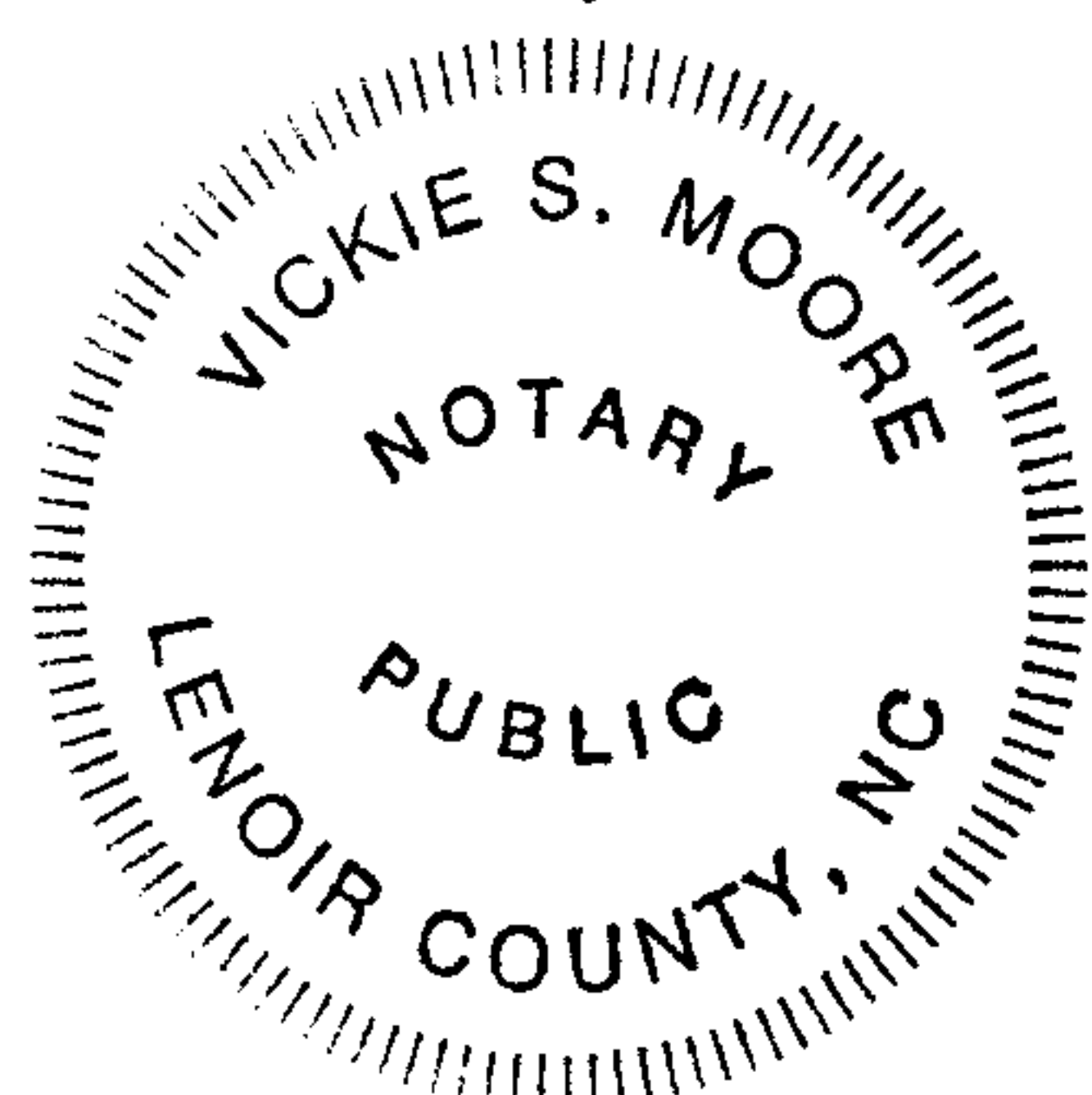

Notary Public VICKIE S. MOORE


My Commission Expires: Dec. 9, 2013

STATE OF North Carolina
COUNTY OF Lenoir

I, the undersigned Notary Public in and for said County, in said State, hereby certify that Marsha G. Hill, whose name as Manager of Hill/Gray Seven, L.L.C., a Florida limited liability company, is signed to the foregoing Mortgage, Assignment of Rents and Security Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Mortgage, Assignment of Rents and Security Agreement, she, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal, this 16th day of February, 2011.




Notary Public VICKIE S. MOORE

My Commission Expires: Dec 9, 2013

**Mortgage Supplement
& Information Schedule**

Subject		Information
Mortgagor:	Full Legal Name:	Hill/Gray Seven L.L.C.
	Street Address:	6275 N. Ocean Blvd.
	P.O. Box:	
	City:	Ocean Ridge
	State:	Florida
	Zip Code:	33435
	Type of Organization:	LLC
	State of Organization:	Florida
	Jurisdiction Organization No.:	0687028
	Chief Executive Office:	Boca Raton, Florida
Bank:	Full Name:	RBC Bank (USA)
	Street Address:	
	P.O. Box:	P. O. Box 1220
	City:	Rocky Mount
	State:	NC
	Zip Code:	27802-1220
Obligations:		In this Mortgage the term "Obligations" shall mean, and this Mortgage secures payment and performance of, among other indebtedness and obligations as provided herein, each and all of the following: (1) the indebtedness evidenced by the promissory note dated of even date with this Mortgage in the original principal amount of \$1,360,533.00 from Mortgagor to Bank, and extensions, renewals, modifications, amendments, substitutions and replacements thereof and therefor, in whole and in part, and (2) all other Indebtedness now owing by Mortgagor to Bank and all Indebtedness that may arise and be owing by Mortgagor to Bank in the future. In this Mortgage, "Indebtedness" shall mean and include loans, advances, credit extensions, debts, indebtedness, liabilities and other obligations, however arising, owed by one person to another person, of every kind and description, both direct and indirect, absolute and contingent, due and to become due, now existing and hereafter arising and shall include, without limitation, all principal, interest, prepayment consideration, premiums, fees, charges and costs and expenses chargeable to and payable by the obligor thereon or other person obligated thereunder, and shall include all extensions, renewals, modifications, amendments, substitutions and replacements thereof and therefor, in whole and in

		part; provided, however, Indebtedness shall not include any consumer credit as defined under the Federal Reserve Board's Regulation Z (Truth-in-Lending)(12 CFR 226 et. seq.) and such credit shall not be secured by the lien and security interest of this Mortgage.	
Permitted Liens:		1.	None
Jurisdiction whose Laws Govern Mortgage:		State of Alabama	
Jurisdiction Specific Provisions			
1.	<p>Remedies – Foreclosure under Power of Sale, etc.:</p> <p>(a) <u>Power of Sale.</u> Bank is hereby granted a power of sale and upon the occurrence of an Event of Default under Section 13.1 or any other event defined in this Mortgage as an “Event of Default”, or the occurrence of an event which, with the giving of notice or a lapse of time, or both, would become an Event of Default hereunder, Bank may sell the Property (together with the Collateral if Bank so chooses), and such part or parts thereof or interests therein as Bank may select, at one or more public sales before the door of the courthouse of the county in which the Property or any part of the Property is situated, without notice except as required or set forth herein, to the highest bidder for cash, in order to pay the Obligations and all other indebtedness and obligations secured hereby, together with all expenses of sale and of all proceedings in connection therewith, including reasonable attorneys’ fees actually incurred and all costs of such sale, after first providing notice of the time, place and terms of such sale by publication once a week for three (3) consecutive weeks prior to said sale in newspapers published in all of the counties in which the Property and Collateral to be sold are located; and Bank shall collect the proceeds of such sale, and after reserving therefrom the entire amount secured hereby, including the amount of any taxes, assessments and premium of insurance or other payments or amounts advanced by Bank to protect and preserve the Property or the Collateral, and Bank’s lien and security interest thereon or security title thereto, together with all costs and expenses of said sale and reasonable attorneys’ fees, fees of legal assistants and fees of other professionals actually incurred, shall pay any overage as provided by law.</p> <p>(b) <u>Foreclosure Deed.</u> At any such public sale, Bank may execute and deliver to the purchaser a conveyance of the property sold or any part thereof IN FEE SIMPLE, with full warranties of title, and to this end the Mortgagor hereby constitutes and appoints Bank as the agent and attorney-in-fact of Mortgagor to make such sale and conveyance, and thereby to divest Mortgagor of all right, title and equity that Mortgagor may have in and to the property sold and to vest the same in the purchaser or purchasers at such sale or sales; and all the acts and doings of said agent and attorney-in-fact are hereby ratified and confirmed and any recitals in said conveyance or conveyances as to facts essential to a valid sale shall be binding upon Mortgagor.</p> <p>(c) <u>Power Irrevocable.</u> The aforesaid power of sale and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, are granted as cumulative of the other remedies provided hereby or by law for collection of the Obligations, and shall not be exhausted by one exercise thereof but may be exercised until full payment of the Obligations and all other amounts secured hereby.</p> <p>(d) <u>Separate Sales.</u> In the event of any sale under this Mortgage by virtue of the exercise of the powers herein granted, or pursuant to any order in any judicial proceedings or otherwise, the Property may be sold as an entirety or in separate parcels at one or more sales and in such manner or order as Bank in its sole discretion may elect, and if Bank so elects, Bank may sell the Collateral covered by this Mortgage with the Property, or at one or more separate sales in any manner permitted by the Uniform Commercial</p>		

Code of the State of Alabama, and one or more exercises of the powers herein granted shall not extinguish nor exhaust such powers, until the entire Property is sold or the Obligations and other indebtedness and obligations secured hereby are paid in full. Without limiting the foregoing, but in furtherance thereof, if the Obligations or any of them, or any of the other indebtedness or obligations secured hereby are secured by any other mortgage, security agreement, pledge, assignment, guaranty or other supporting obligation or other security document, Bank may at its option exhaust the remedies granted under any of said security documents either concurrently, alternately, successively or independently, and in such order and at such time or times as Bank may determine in its discretion.

(e) Judicial Enforcement. Bank may, in its sole discretion and at its election, in addition to and not in abrogation of the rights covered under the immediately preceding paragraphs or elsewhere herein, either with or without entry or taking possession as herein provided or otherwise, proceed by a suit or suits in law or in equity or by any other appropriate proceeding or remedy, including judicial foreclosure, to enforce payment of any or all of the Obligations and the other indebtedness and obligations secured hereby, or the performance of any term, covenant, condition or agreement of this Mortgage or any other right hereunder.

(f) Application of Proceeds. Unless a different order of application is mandated under applicable law, proceeds derived from any sale as provided above shall be applied to pay, first, costs and expenses of the foreclosure proceeding or sale, including court costs, reasonable attorneys' fees and fees of legal assistants, as well as fees of other professionals such as accountants, reasonable auctioneers' fees if such expenses have been incurred and any other expenses or advances made or incurred in the protection of the rights of Bank or in the pursuit of any remedy hereunder; second, to taxes and assessments due and unpaid, if Bank deems it appropriate to do so; third, to the payment of any indebtedness and other obligations (including, without limitation, principal, interest, fees, premiums, penalties, charges and costs and expenses on the Obligations) secured by this Mortgage in such order as may be directed by Bank; and fourth, the balance, if any, to the person or persons entitled thereto, or if a conflict exists as to the person or persons entitled thereto, the same shall be held by or paid to the circuit court in the county in which the foreclosure was held.

(g) Purchase by Bank. Upon any foreclosure sale or sales of all or any portion of the Property or Collateral under the power herein granted, Bank may bid for and purchase the Property and Collateral through a credit bid against the Obligations and other indebtedness and obligations secured hereby, or otherwise.

EXHIBIT A
TO MORTGAGE
(DESCRIPTION OF PROPERTY)

PARCEL I:

Lot 6, according to the Survey of Chelsea Crossroads, as recorded in Map Book 41, Page 109 A & B in the Probate Office of Shelby County, Alabama.

PARCEL II:

Rights obtained, that constitute an interest in Real Estate, under that certain Declaration of Restrictions, Covenants, and Grant of Easements executed December 16, 2009 by Chelsea Crossroads, LLC, and recorded in Instrument Number 20091216000461130. Assignment of Declarants Interest under said declaration to Chelsea-Selig, LLC in Instrument Number 20091216000461160.