


THIS INSTRUMENT PREPARED BY:

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Shelby Cnty Judge of Probate, AL
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NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE MAXIMUM PRINCIPAL INDEBTEDNESS SECURED BY THIS INSTRUMENT SHALL IN NO EVENT EXCEED \$1,011,000 FOR THE CERTAIN PROPERTY DESCRIBED HEREIN.

This Mortgage is being executed in several counterparts for the purpose of recording same in four (4) different counties in Alabama in which the property described herein as collateral is located. Each of the counterparts shall constitute an executed original hereof, but all of which together shall constitute one and the same instrument.

**MORTGAGE,
ASSIGNMENT OF RENTS AND LEASES,
AND SECURITY AGREEMENT**

STATE OF ALABAMA

**COUNTIES OF MONTGOMERY, JEFFERSON,
MOBILE, AND SHELBY**

THIS INDENTURE (herein this “**Mortgage**”) made this the 27th day of September, 2012, between **SNAVECO, L.L.C.**, an Alabama limited liability company (hereinafter called the “**Mortgagor**,” whether one or more), **Mortgagor**, and **ALIAN BANK, a division of USAMERIBANK**, a Florida corporation (hereinafter called “**Lender**”), Mortgagee.

THIS MORTGAGE IS FILED AS AND SHALL CONSTITUTE A FIXTURE FILING IN ACCORDANCE WITH THE PROVISIONS OF SECTION 7-9A-502(c) OF THE CODE OF ALABAMA.

WITNESSETH:

WHEREAS, **Mortgagor**, together with **C P Properties, LLC** and **Evans Properties, L.L.C.** as co-borrowers, is justly indebted to **Lender** on a loan (the “**Loan**”) as evidenced by a Promissory Note dated the 27th day of September, 2012, payable to **Lender** with interest thereon (the “**Note**”) as otherwise provided in the Note; and

WHEREAS, the making of the **Loan** shall be governed by the terms of a **Loan Agreement** (the “**Loan Agreement**”) dated of even date herewith;

WHEREAS, the parties desire to secure the Note, including the obligation to pay principal amount of the Note with interest, and all renewals, extensions and modifications thereof, and all refinancings of any part of the Note and any and all other additional indebtedness of Mortgagor to Lender, now existing or hereafter arising, whether joint or several, due or to become due, absolute or contingent, direct or indirect, liquidated or unliquidated, and any renewals, extensions, modifications and refinancings thereof, and whether incurred or given as maker, endorser, guarantor or otherwise, and whether the same be evidenced by note, open account, assignment, endorsement, guaranty, pledge or otherwise, including all obligations incurred by Mortgagor under any agreement (including but not limited to the "Swap Documents" as defined under the Note) between Mortgagor and Lender or any affiliate of Lender, whether now existing or hereafter entered into, which provides for an interest rate currency, equity, credit or commodity swap, cap, floor or collar, spot or foreign currency exchange transaction, cross currency rate swap, currency option, any combination of, or option with respect to, any of the foregoing or similar transactions, for the purpose of hedging Mortgagor's exposure to fluctuations in interest rates, exchange rates, currency, stock, portfolio or loan valuations or commodity prices (herein "**Other Indebtedness**").

NOW, THEREFORE, Mortgagor, in consideration of Lender's making the Loan, and to secure the prompt payment of same, with the interest thereon, and any extensions, renewals, modifications and refinancings of same, and any charges herein incurred by Lender on account of Mortgagor, including but not limited to attorneys' fees, and any and all Other Indebtedness as set forth above, and further to secure the performance of the covenants, conditions and agreements hereinafter set forth and set forth in the Note and set forth in all other documents evidencing, securing or executed in connection with the Loan (this Mortgage, the Note, the Loan Agreement and such other documents are sometimes referred to herein as the "**Loan Documents**"), and as may be set forth in instruments evidencing or securing Other Indebtedness (the "**Other Indebtedness Instruments**") has bargained and sold and does hereby grant, bargain, sell, alien and convey unto Lender, its successors and assigns, all interest of Mortgagor in the following described land, real estate, estates, buildings, improvements, fixtures, furniture, and personal property (which together with any additional such property in the possession of Lender or hereafter acquired by Mortgagor and subject to the lien of this Mortgage, or intended to be so, as the same may be constituted from time to time is hereinafter sometimes referred to as the "**Mortgaged Property**") to-wit:

- (a) All that tract or parcel or parcels of land and estates particularly described on **Exhibit A** attached hereto and made a part hereof (the "**Land**");
- (b) All buildings, structures, and improvements of every nature whatsoever now or hereafter situated on the Land and all fixtures, fittings, machinery, equipment, furniture and furnishings and personal property of every nature whatsoever now or hereafter owned by Mortgagor and used or intended to be used in connection with or with the operation of said property, buildings, structures or other improvements, including all extensions, additions, improvements, betterments, renewals, substitutions, replacements and accessions to any of the foregoing, whether such fixtures, fittings, machinery, equipment, furniture, furnishings and personal property actually are located on or adjacent to the Land or not, and

whether in storage or otherwise, and wheresoever the same may be located (the **“Improvements”**);

- (c) Together with all easements, rights of way, gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, leases, subleases, licenses, rights, titles, interests, privileges, liberties, tenements, hereditaments, and appurtenances whatsoever, in any way belonging, relating or appertaining to any of the property hereinabove described, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Mortgagor, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Mortgagor of, in and to the same, including but not limited to:
 - (i) All rents, royalties, profits, issues and revenues of the Land and Improvements from time to time accruing, whether under leases or tenancies now existing or hereafter created; and
 - (ii) All judgments, awards of damages and settlements hereafter made in favor of Mortgagor resulting from condemnation proceedings or the taking of the Land and Improvements or any part thereof under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Land and Improvements or any part thereof, or to any rights appurtenant thereto, including any award for change of grade or streets. Lender hereby is authorized on behalf of and in the name of Mortgagor to execute and deliver valid acquittances for, and appeal from, any such judgments or awards. Lender may apply all such sums or any part thereof so received, after the payment of all its expenses, including costs and attorneys' fees, on any of the indebtedness secured hereby in such manner as it elects or, at its option, the entire amount or any part thereof so received may be released;
- (d) Any and all licenses, development permits, building permits, utility supply agreements, sewer and water discharge permits and agreements, and other licenses, permits and agreements issued to Mortgagor relating to the use, development, construction, occupancy and operation of the Land and Improvements, whether now or hereafter issued or executed, and all modifications, amendments, replacements or re-issuances of the foregoing;
- (e) All cash and non-cash proceeds and all products of any of the foregoing items or types of property described in (a), (b), (c), or (d) above, including, but not limited to, all insurance, contract and tort proceeds and claims, and including all inventory, accounts, chattel paper, documents, instruments, equipment, fixtures, consumer goods and general intangibles acquired with cash proceeds of any of the foregoing items or types of property described in (a), (b), (c), or (d) above.

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

PROVIDED, HOWEVER, that these presents are upon the condition that, (i) if Mortgagor shall fully pay or cause to be fully paid to Lender the principal and interest payable with respect of the Loan and the Note, and any extensions, renewals, modifications and refinancings of same, at the times and in the manner stipulated therein and herein, all without any deduction or credit for taxes or other similar charges paid by Mortgagor, and shall pay all charges incurred herein by Lender on account of Mortgagor, including, but not limited to, attorneys' fees, and shall pay any and all Other Indebtedness, and shall keep, perform and observe all and singular the covenants, conditions and agreements in this Mortgage, in the Note, in the other Loan Documents, and in the Other Indebtedness Instruments expressed to be kept, performed, and observed by or on the part of Mortgagor, all without fraud or delay, and (ii) Lender shall have no further commitment or agreement to make advances, incur obligations or give value under the Loan, the Note, any other Loan Document or any Other Indebtedness Instrument (including without limitation advances, obligations or value relating to future advances, open-end, revolving or other lines of credit or letters of credit), then this Mortgage, and all the properties, interests and rights hereby granted, bargained, sold and conveyed shall cease, terminate and be void, but shall otherwise remain in full force and effect. Notwithstanding anything herein to the contrary, this Mortgage is subject to the terms and conditions of the Loan Agreement, including but not limited to, the release provisions contained therein.

AND Mortgagor further represents, warrants, covenants and agrees with Lender as follows:

ARTICLE I

GENERAL

1.01 Performance of Mortgage, Note and Loan Documents. Mortgagor shall perform, observe and comply with all provisions hereof, of the Note, of the other Loan Documents, and of the Other Indebtedness Instruments, and shall duly and punctually pay to Lender the sum of money expressed in the Note, with interest thereon, and all other sums required to be paid by Mortgagor pursuant to the provisions of this Mortgage, of the Note, of the other Loan Documents, and of the Other Indebtedness Instruments, all without any deductions or credit for taxes or other similar charges paid by Mortgagor.

1.02 Warranty of Title. Mortgagor hereby warrants that, except for the matters set forth on **Exhibit B** hereto, it is lawfully seized of an indefeasible estate in fee simple in the land and real property hereby mortgaged, or is lawfully seized of such other estate or interest as is described on **Exhibit A** hereto, and has good and absolute title to all existing personal property hereby granted as security, and has good right, full power and lawful authority to sell, convey, mortgage and grant a security interest in the same in the manner and form aforesaid; that the same is free and clear of all grants, reservations, security interests, liens, charges, and encumbrances whatsoever, including, as to the personal property and fixtures, conditional sales contracts, chattel mortgages, security agreements, financing statements, and anything of a similar nature, and that Mortgagor shall and will warrant and forever defend the title thereto and the quiet use

and enjoyment thereof unto Lender, its successors and assigns, against the lawful claims of all persons whomsoever.

1.03 Future Advances, Revolving and Open-End Loans, and Other Debts. It is expressly understood that this Mortgage is intended to and does secure not only the Loan, but also future advances and any and all Other Indebtedness, obligations and liabilities, direct or contingent, of Mortgagor to Lender, whether now existing or hereafter arising, and any and all extensions, renewals, modifications and refinancings of same, or any part thereof, existing at any time before actual cancellation of this instrument on the probate records of the county or counties where the Mortgaged Property is located, and whether the same be evidenced by note, open account, assignment, endorsement, guaranty, pledge or otherwise.

1.04 Monthly Tax Deposit. If required by Lender but only after occurrence of an Event of Default and the expiration of any applicable grace period, Mortgagor shall pay on the first day of each month one-twelfth (1/12) of the yearly taxes on the Mortgaged Property, as estimated by Lender, in addition to each regular installment of principal and interest. Such sums shall not draw interest and shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of Lender. Mortgagor agrees to pay Lender the amount of any deficiency necessary to enable Lender to pay such taxes when due. Such sums may be applied by Lender to the reduction of the indebtedness secured hereby in any manner selected by Lender if an Event of Default shall occur under this Mortgage or under the Note, any of the other Loan Documents, or any of the Other Indebtedness Instruments, but, unless otherwise agreed by Lender in writing, no application of tax deposits to the Note, to Other Indebtedness, or to other obligations secured hereby, shall delay, reduce, alter or otherwise affect any regularly scheduled payment with respect to the Loan, the Other Indebtedness, or any such other obligations

1.05 Other Taxes, Utilities and Liens.

- (a) Mortgagor shall pay promptly, when and as due, and, if requested, will exhibit promptly to Lender receipts for the payment of all material taxes, assessments, water rates, utility charges, dues, charges, fines, penalties, costs and other expenses incurred, and impositions of every nature whatsoever imposed, levied or assessed or to be imposed, levied or assessed upon or against the Mortgaged Property or any part thereof or upon the revenues, rents, issues and profits of the Mortgaged Property or arising in respect of the occupancy, use or possession thereof, or upon the interest of Lender in the Mortgaged Property (other than any of the same for which provision has been made in Paragraph 1.04 of this Article I), or any charge which, if unpaid, would become a lien or charge upon the Mortgaged Property; provided, however, that the failure to pay such amount shall not be required if: (i) the Mortgagor is contesting such amount in good faith or (ii) the failure to pay such amount shall not have a material adverse effect on the value of the Mortgaged Property.
- (b) Mortgagor promptly shall pay and shall not suffer any material mechanic's, laborer's, statutory or other lien to be created or to remain outstanding upon any

of the Mortgaged Property securing a material obligation; provided, however, that the failure to pay such amount shall not be required if: (i) the Mortgagor is contesting such amount in good faith or (ii) the failure to pay such amount shall not have a material adverse effect on the value of the Mortgaged Property.

- (c) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of mortgages or debts secured by mortgages or the manner of collecting taxes, then Mortgagor immediately shall pay any increased taxes if allowed by law, and if Mortgagor fails to pay such additional taxes, or if Mortgagor is prohibited from paying such taxes, or if Lender in any way is adversely affected by such law, order, rule or regulation, then in any of such events, all indebtedness secured by this Mortgage and all interest accrued thereon shall without notice become due and payable forthwith at the option of Lender.

1.06 Insurance.

(a) Mortgagor shall procure for, deliver to, and maintain for the benefit of Lender during the term of this Mortgage the insurance coverage required under the terms of the Loan Agreement.

(b) Prior to an Event of Default hereunder, Mortgagor is authorized to adjust or compromise any loss under any insurance policies on the Mortgaged Property in the reasonable prudent business judgment of Mortgagor. Lender shall not be liable to Mortgagor or otherwise responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure.

(c) Upon, and only upon, an Event of Default hereunder, the terms of this Paragraph 1.06(c) shall apply notwithstanding any provision in the Loan Documents to the contrary. Upon an Event of Default, Lender shall be authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies on the Mortgaged Property, and to collect and receive the proceeds from any such policy or policies. In such case, after deducting from said insurance proceeds any expenses incurred by Lender in the collection or handling of said funds, Lender may apply the net proceeds, at its option, either toward repairing or restoring the improvements on the Mortgaged Property, or as a credit on any portion of Mortgagor's indebtedness selected by Lender, whether then matured or to mature in the future, or at the option of Lender, such sums either wholly or in part may be used to repair such improvements, or to build new improvements in their place or for any other purpose and in a manner satisfactory to Lender, all without affecting the lien of this Mortgage for the full amount secured hereby before such payment took place. Lender shall not be liable to Mortgagor or otherwise responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure.

(d) If required by Lender but only after occurrence of an Event of Default and the expiration of any applicable grace period, Mortgagor shall pay on the first day of each

month, in addition to the monthly tax deposit provided for in Paragraph 1.04 hereof, one-twelfth (1/12) of the yearly premiums for insurance maintained pursuant to the provisions of this Paragraph 1.06. Such amount shall be used by Lender to pay such insurance premiums when due. Such added payments shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of Lender, and no interest shall be payable in respect thereof. Upon demand of Lender, Mortgagor agrees to deliver to Lender such additional moneys as are necessary to make up any deficiencies in the amounts deposited by Mortgagor with Lender pursuant to this Paragraph 1.06 to enable Lender to pay such insurance premiums when due. In the event of an Event of Default hereunder or of a default by Mortgagor under the Note, any other Loan Documents, or any Other Indebtedness Instruments, Lender may apply such sums to the reduction of the indebtedness secured hereby in any manner selected by Lender, but, unless otherwise agreed by Lender in writing, no application of insurance proceeds to the Loan, to Other Indebtedness, or to other obligations secured hereby, shall delay, reduce, alter or otherwise affect any regularly scheduled payment with respect to the Loan, the Other Indebtedness, or any such other obligations.

1.07 Condemnation. If (a) all or a material part of the Mortgaged Property shall be damaged or taken through condemnation (which term when used in this Mortgage shall include any damage or taking by any governmental or private authority, and any transfer by private sale in lieu thereof), either temporarily or permanently, and (b) as a result thereof, the Mortgagor shall not be in compliance with Section 7.1(h) of the Loan Agreement on a pro forma basis, then that portion of the indebtedness secured hereby equal to the release price for such Mortgaged Property as set forth on Exhibit D to the Loan Agreement shall, at the option of Lender, become immediately due and payable. If an Event of Default shall have occurred and after the expiration of any applicable grace period, the Lender is hereby authorized, at its option, to commence, appear in and prosecute, in its own or Mortgagor's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. Subject to the preceding sentences, all such compensation, awards, damages, claims, rights of action and proceeds and the right thereto are hereby collaterally assigned by Mortgagor to Lender which, after deducting therefrom all its expenses, including attorneys' fees, may release any moneys so received by it without affecting the lien of this Mortgage or may apply the same in such manner as Lender shall determine to the reduction of the indebtedness secured hereby, and any balance of such moneys then remaining shall be paid to Mortgagor. Mortgagor agrees to execute such further assignments of any compensations, awards, damages, claims, rights of action and proceeds as Lender may require. Mortgagor promptly shall notify Lender in the event of the institution of any condemnation or eminent domain proceeding or in the event of any threat thereof. Lender shall be entitled to retain, at the expense of Mortgagor, its own legal counsel in connection with any such proceedings or threatened proceedings. Lender shall be under no obligation to Mortgagor or to any other person to determine the sufficiency or legality of any condemnation award and may accept any such award without question or further inquiry.

1.08 Care of the Property.

- (a) Mortgagor will preserve and maintain the Mortgaged Property in good condition and repair, and shall not commit or suffer any waste and shall not do or suffer to

be done anything which will increase the risk of fire or other hazard to the Mortgaged Property or any part thereof.

- (b) Except as otherwise provided herein, no buildings, fixtures, personal property, or other part of the Mortgaged Property shall be removed, demolished or substantially altered without the prior written consent of Lender. Mortgagor may sell or otherwise dispose of, free from the lien of this Mortgage, furniture, furnishings, equipment, tools, appliances, machinery or appurtenances, subject to the lien hereof which may become worn out, undesirable, obsolete, disused or unnecessary for use in the operation of the Mortgaged Property, not exceeding in value at the time of disposition thereof Ten Thousand Dollars (\$10,000.00) for any single transaction, or a total of Twenty Five Thousand Dollars (\$25,000.00) in any one year, upon replacing the same with, or substituting for the same, free and clear of all liens and security interests except those created by the Loan Documents or Other Indebtedness Instruments, other furniture, furnishings, equipment, tools, appliances, machinery or appurtenances not necessarily of the same character, but of at least equal value and of equal or greater utility in the operation of the Mortgaged Property, and costing not less than the amount realized from the property sold or otherwise disposed of. Such substitute furniture, furnishings, equipment, tools, appliances, machinery and appurtenances shall forthwith become, without further action, subject to the provisions of this Mortgage.
- (c) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, Mortgagor shall give written notice of the same to Lender as soon as reasonably practicable.
- (d) Lender hereby is authorized to enter upon and inspect the Mortgaged Property, and to inspect Mortgagor's or Mortgagor's agent's records with respect to the ownership, use, management and operation of the Mortgaged Property, at any time during normal business hours upon 24 hours prior notice.
- (e) If all or any part of the Mortgaged Property shall be damaged by fire or other casualty, Mortgagor promptly shall restore the Mortgaged Property to the equivalent of its original condition, regardless of whether or not there shall be any insurance proceeds therefor, or may pay Lender the amount required under the Loan Agreement for a release of that portion of the Mortgaged Property. If a part of the Mortgaged Property shall be physically damaged through condemnation, Mortgagor promptly shall restore, repair or alter the remaining property in a manner reasonably satisfactory to Lender, or may pay Lender the amount required under the Loan Agreement for a release of that portion of the Mortgaged Property.

1.09 Further Assurances; After-Acquired Property.

- (a) At any time, and from time to time, upon request by Lender, Mortgagor, at Mortgagor's expense, will make, execute and deliver or cause to be made,

executed and delivered to Lender and, where appropriate, to cause to be recorded and/or filed and from time to time thereafter to be re-recorded and/or refiled at such time and in such offices and places as shall be deemed desirable by Lender any and all such other and further mortgages, instruments of further assurance, certificates and other documents as may, in the opinion of Lender, be necessary or desirable in order to effectuate, complete, or perfect, or to continue and preserve the obligation of Mortgagor under the Note and this Mortgage, and the obligations of Mortgage under the Guaranty, and the priority of this Mortgage as a first and prior lien upon all of the Mortgaged Property, whether now owned or hereafter acquired by Mortgagor. Upon any failure by Mortgagor so to do, Lender may make, execute, and record any and all such mortgages, instruments, certificates, and documents for and in the name of Mortgagor, and Mortgagor hereby irrevocably appoints Lender the agent and attorney-in-fact of Mortgagor so to do. The lien and rights hereunder automatically will attach, without further act, to all after-acquired property (except consumer goods, other than accessions, not acquired within ten (10) days after Lender has given value under the Note) attached to and/or used in the operation of the Mortgaged Property or any part thereof.

- (b) Without limitation to the generality of the other provisions of this Mortgage, including subparagraph (a) of this Paragraph 1.09, it hereby expressly is covenanted, agreed and acknowledged that the lien and rights hereunder automatically will attach to any further, greater, additional, or different estate, rights, titles or interests in or to any of the Mortgaged Property at any time acquired by Mortgagor by whatsoever means, including that in the event Mortgagor is the owner of an estate or interest in the Mortgaged Property or any part thereof (such as, for example, as the lessee or tenant) other than as the fee simple owner thereof, and prior to the satisfaction of record of this Mortgage Mortgagor obtains or otherwise acquires such fee simple or other estate, then such further, greater, additional, or different estate in the Mortgaged Property, or a part thereof, shall automatically, and without any further action or filing or recording on the part of Mortgagor or Lender or any other person or entity, be and become subject to this Mortgage and the lien hereof. In consideration of Lender's making the Loan as aforesaid, and to secure the Loan, the Other Indebtedness and obligations set forth above, Mortgagor hereby grants, bargains, sells and conveys to Lender, on the same terms as set forth in this Mortgage and intended to be a part hereof, all such after-acquired property and estates.

1.10 Additional Security. Lender also shall have and hereby is granted a security interest in all monies, securities and other property of Mortgagor, now or hereafter assigned, held, received, or coming into the possession, control, or custody of Lender by or for the account of Mortgagor (including indebtedness due from Lender to Mortgagor, and any and all claims of Mortgagor against Lender, at any time existing) whether expressly as collateral security, custody, pledge, transmission, collection or for any other purpose, and also upon any and all deposit balances, including any dividends declared, or interest accruing thereon, and proceeds thereof. On an Event of Default and after the expiration of any applicable grace period, Lender may, in addition to any other rights provided by this Mortgage or any of the other Loan Documents, but shall not

be obligated to, apply to the payment of the Loan or Other Indebtedness secured hereby, and in such manner as Lender may determine, any such monies, securities or other property held or controlled by Lender. No such application of funds shall, unless otherwise expressly agreed by Lender in writing, reduce, alter, delay or otherwise affect any regularly scheduled payment with respect to the Loan or such Other Indebtedness or obligations.

1.11 Leases Affecting Mortgaged Property. Mortgagor shall comply with and observe its obligations as landlord or tenant under all leases affecting the Mortgaged Property or any part thereof. If requested by Lender, Mortgagor shall furnish Lender with executed copies of all leases now or hereafter existing on the Mortgaged Property; and all leases now or hereafter entered into will be pursuant to arms length transactions for market rent as determined by Mortgagor using prudent business judgment. If requested by Lender, Mortgagor shall execute and deliver to Lender, as additional security, such other documents as may be requested by Lender to evidence further the assignment to Lender hereunder, and to assign any and all such leases whether now existing or hereafter created, including, without limitation, all rents, royalties, issues and profits of the Mortgaged Property from time to time accruing. Mortgagor shall not cancel, surrender or modify any lease affecting the Mortgaged Property or any part thereof except in the ordinary course or otherwise using prudent business judgment.

1.12 Expenses. Mortgagor shall pay or reimburse Lender for all reasonable attorneys' fees, costs and expenses incurred by Lender in connection with the collection of the indebtedness secured hereby or the enforcement of any rights or remedies provided for in this Mortgage, in any of the other Loan Documents or the Other Indebtedness Instruments, or as may otherwise be provided by law, or incurred by Lender in any proceeding involving the estate of a decedent or an insolvent, or in any action, proceeding or dispute of any kind in which Lender is made a party, or appears as party plaintiff or defendant, affecting this Mortgage, the Note, any of the other Loan Documents, any of the Other Indebtedness Instruments, Mortgagor or the Mortgaged Property, including but not limited to the foreclosure of this Mortgage, any condemnation action involving the Mortgaged Property, any environmental condition of or affecting the Mortgaged Property, or any action to protect the security hereof; and any such amounts paid or incurred by Lender shall be added to the indebtedness secured hereby and shall be further secured by this Mortgage.

1.13 Performance by Lender of Defaults by Mortgagor. If Mortgagor shall default in the payment of any tax, lien, assessment or charge levied or assessed against the Mortgaged Property, or otherwise described in Paragraphs 1.04 and 1.05 hereof; in the payment of any utility charge, whether public or private; in the payment of insurance premiums; in the procurement of insurance coverage and the delivery of the insurance policies required hereunder; or in the performance or observance of any other covenant, condition or term of this Mortgage, of the Note, of any of the other Loan Documents, or of any of the Other Indebtedness Instruments, then Lender, at its option, may perform or observe the same; and all payments made for costs or expenses incurred by Lender in connection therewith shall be secured hereby and shall be, without demand, immediately repaid by Mortgagor to Lender with interest thereon calculated in the manner set forth in the Note, and at the default interest rate specified in the Note. Lender shall be the sole judge of the legality, validity and priority of any such tax, lien, assessment, charge, claim and premium, of the necessity for any such actions and of the amount necessary to be paid in satisfaction thereof. Lender hereby is empowered to enter and to

authorize others to enter upon the Mortgaged Property or any part thereof for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to Mortgagor or any person in possession holding under Mortgagor for trespass or otherwise.

1.14 Books and Records. Mortgagor shall keep and maintain at all times full, true and accurate books of accounts and records, adequate to reflect correctly the results of the operation of the Mortgaged Property.

1.15 Estoppel Affidavits. Mortgagor, within ten (10) days after written request from Lender, shall furnish a written statement duly acknowledged setting forth the unpaid principal of and interest on the Note and Other Indebtedness and whether any offsets or defenses exist against any such principal and interest.

1.16 Alienation or Sale of Mortgaged Property. Mortgagor shall not sell, assign, mortgage, encumber, grant a security interest in or otherwise convey all or any part of the Mortgaged Property except in accordance with the terms of the Loan Agreement. If Mortgagor should sell, assign, mortgage, encumber, grant a security interest in or convey all, or any part, of the Mortgaged Property in violation of the provisions of the Loan Agreement, then, in such event, the entire balance of the indebtedness (including the Loan and all Other Indebtedness) secured by this Mortgage and all interest accrued thereon (or such parts as Lender may elect) shall without notice become due and payable forthwith at the option of Lender. In the event the Mortgagor shall sell or assign the Mortgaged Property or a portion thereof in accordance with the Loan Agreement, the Lender shall execute a proper lien cancellation and release pursuant to which the Lender shall release and discharge the Mortgaged Property or portion thereof from this Mortgage in accordance with the terms and conditions of the Loan Agreement.

1.17 Environmental and Compliance Matters. Mortgagor represents, warrants and covenants as follows:

- (a) To the best of Mortgagor's knowledge all of the Mortgaged Property complies and Mortgagor shall use its best efforts to comply in all respects with applicable environmental laws, rules, regulations, and court or administrative orders;
- (b) There are no pending claims or to the best of Mortgagor's knowledge threats of claims by private or governmental or administrative authorities relating to environmental impairment, conditions, or regulatory requirements with respect to the Mortgaged Property;
- (c) Mortgagor promptly shall comply with all present and future laws, ordinances, rules, regulations, orders and decrees of any governmental authority affecting the Mortgaged Property or any part thereof.
- (d) Mortgagor shall give immediate oral and written notice to Lender of its receipt of any notice of a material violation of any law, rule or regulation covered by this Paragraph 1.17, or of any notice of other claim relating to the environmental or physical condition of the Mortgaged Property, or of its discovery of any matter

which would make the representations, warranties and/or covenants herein to be inaccurate or misleading in any respect.

The Loan Documents include a separate Environmental Indemnity Agreement of even date herewith setting forth environmental representations, covenants, and indemnities from Mortgagor to Lender with respect to the Mortgaged Property.

1.18 Inspection Rights and Easements. In addition to other inspection rights of Lender, Mortgagor shall and hereby does grant and convey to Lender, its agents, representatives, contractors, and employees, to be exercised by Lender following an Event of Default hereunder or under any of the other Loan Documents, an easement and license to enter on the Mortgaged Property at any time and from time to time for the purpose of making such audits, tests, inspections, and examinations, including, without limitation, inspection of buildings and improvements, subsurface exploration and testing and groundwater testing (herein “**Inspections**”), as Lender, in its sole discretion, deems necessary, convenient, or proper to determine the condition and use of the Mortgaged Property, to make an inventory of the Mortgaged Property, and to determine whether the ownership, use and operation of the Mortgaged Property are in compliance with all federal, state, and local laws, ordinances, rules, and regulations, including, without limitation, environmental laws, health and public accommodation laws, the ADA and the Rehabilitation Act, as applicable, and ordinances, rules and regulations relating thereto. Notwithstanding the grant of the above easement and license to Lender, Lender shall have no obligation to perform any such Inspections, or to take any remedial action. All the costs and expenses incurred by Lender with respect to any Inspections which Lender may conduct or take pursuant to this Paragraph 1.18, including, without limitation, the fees of any engineers, laboratories, and contractors, shall be repaid by Mortgagor, with interest, and shall be secured by this Mortgage and the other Loan Documents.

1.19 Use, Governmental Compliance, etc. Mortgagor shall: (a) use the Mortgaged Property in a manner consistent with past practice or as otherwise in the prudent business judgment of the Mortgagor; (b) maintain all material certificates, licenses, authorizations, registrations, permits and other approvals of Governmental Authorities necessary for (i) compliance with the environmental laws, rules and regulations referenced in Paragraph 1.17(a) hereof or as otherwise may be applicable to the Mortgaged Property from time to time, (ii) the use of the Mortgaged Property and the conduct of any business or activity on the Mortgaged Property, and (iii) the construction, completion and occupancy of the improvements constructed or to be constructed on the Mortgaged Property, including all required zoning, building, land use, environmental, wetlands, coastal development, endangered species, cultural resources, storm water discharge, liquor, occupancy, fire and utility approvals; (c) comply in all material respects with all Governmental Requirements now or hereafter affecting the Mortgaged Property or any business or activity conducted thereon; and (d) not permit any act to be done on the Mortgaged Property in violation of any Governmental Requirements or that constitutes a public or private nuisance, or that makes void or cancelable, or increases the premium of, any insurance then in force with respect thereto. For the purposes hereof, (a) a “**Governmental Authority**” means any national, state, county, municipal or other government, domestic or foreign, and any agency, authority, department, commission, bureau, board, court or other instrumentality thereof having jurisdiction over or with respect to all or any part of the Mortgaged Property, and (b) “**Governmental**

Requirements” means all laws, rules, regulations, ordinances, judgments, decrees, codes, order, injunctions, notices and demand letters of any Governmental Authority.

ARTICLE II

ASSIGNMENT OF RENTS AND LEASES

2.01 Assignment. Mortgagor, in consideration of Lender’s making the Loan as aforesaid and for other good and valuable consideration, and to secure the prompt payment of same, with the interest thereon, and any extensions, renewals, modifications and refinancings of same, and any charges herein incurred by Lender on account of Mortgagor, including but not limited to attorneys’ fees, and any and all Other Indebtedness, and further to secure the performance of the covenants, conditions and agreements hereinafter set forth and set forth in the Note, in the other Loan Documents, and in the Other Indebtedness Instruments, does hereby sell, assign and transfer unto Lender all leases, subleases and lease guaranties of or relating to all or part of the Mortgaged Property, whether now existing or hereafter created or arising, including without limitation those certain leases, if any, specifically described on an exhibit to this Mortgage, and all the rents, issues and profits now due and which may hereafter become due under or by virtue of any such lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the Mortgaged Property or any part thereof, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by Lender under the powers herein granted, it being the intention of the parties to hereby establish an absolute transfer and assignment of all the said leases, subleases, lease guaranties and agreements, and all the avails thereof, to Lender, and Mortgagor does hereby appoint irrevocably Lender its true and lawful attorney in its name and stead (with or without taking possession of the aforesaid Mortgaged Property as hereinafter provided), to rent, lease or let all or any portion of the Mortgaged Property to any party or parties at such rental and upon such term, in its discretion as it may determine, and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, and all now due, or that may hereafter become due under each and all of the leases, subleases, lease guaranties and agreements, written or verbal, or other tenancy existing or which may hereafter exist on the Mortgaged Property, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as Lender would have upon taking possession of the Mortgaged Property pursuant to the provisions hereinafter set forth.

2.02 Waiver of Mortgagor’s Right of Setoff. Mortgagor waives any right of setoff against any person in possession of any portion of the Mortgaged Property. Mortgagor agrees that it will not assign any of the rents or profits except to the purchaser or grantee of the Mortgaged Property.

2.03 Not Mortgagee in Possession; No Liability. Nothing herein contained shall be construed as constituting Lender as “mortgagee in possession” in the absence of the taking of actual possession of the Mortgaged Property by Lender pursuant to the provisions hereinafter contained. In the exercise of the powers herein granted Lender, no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by Mortgagor.

2.04 Present Assignment. It is the intention of the parties that this assignment of rents and leases shall be a present assignment; however, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that Mortgagor shall have the right to collect the rents so long as there exists no Event of Default under this Mortgage, and provided further, that Mortgagor's right to collect such rents shall terminate and cease automatically upon the occurrence of any such Event of Default (and after the expiration of any applicable grace period) without the necessity of any notice or other action whatsoever by Lender.

2.05 No Obligation of Lender Under Leases. Lender shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any leases, subleases or rental agreements relating to the Mortgaged Property, and Mortgagor shall and does hereby agree to indemnify and hold Lender harmless of and from any and all liability, loss or damage which it may or might incur under any leases, subleases or agreements or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases, subleases or agreements. Should Lender incur any such liability, loss or damage, under said leases or under or by reason of the assignment thereof, or in the defense of any claims or demands asserted against Lender in connection with any one or more of said leases, subleases or agreements, Mortgagor agrees to reimburse Lender for the amount thereof, including costs, expenses and reasonable attorneys' fees immediately upon demand, and until the same are fully reimbursed by Mortgagor, all such costs, expenses and attorneys' fees shall be secured by the assignment hereunder and by this Mortgagor.

2.06 Instruction to Lessees. Upon the occurrence of an Event of Default and after the expiration of any applicable grace period, Mortgagor does further specifically authorize and instruct each and every present and future lessee, tenant, sublessee or subtenant of the whole or any part of the Mortgaged Property to pay all unpaid rental agreed upon in any lease, sublease or tenancy to Lender upon receipt of demand from said Lender to pay the same.

2.07 Default (Assignment). Upon the occurrence of any Event of Default and after the expiration of any applicable grace period, as described in Paragraph 4.01 of this Mortgage, then, in addition to the right to demand and collect directly from tenants rents accruing from leases of the Mortgaged Property, Lender shall have all rights and remedies set forth in Article IV or elsewhere in this Mortgage.

ARTICLE III

SECURITY AGREEMENT

3.01 Grant of Security Interest. Mortgagor (the "debtor" for purposes of the Uniform Commercial Code), in consideration of Lender's (the "secured party" for purposes of the Uniform Commercial Code) making the Loan as aforesaid and for other good and valuable consideration, and to secure the prompt payment of same, with the interest thereon, and any extensions, renewals, modifications and refinancings of same, and any charges herein incurred by Lender on account of Mortgagor, including but not limited to attorneys' fees, and any and all Other Indebtedness, and further to secure the performance of the covenants, conditions and

agreements hereinafter set forth and set forth in the Note, in the other Loan Documents, and in the Other Indebtedness Instruments, does hereby assign and grant to Lender title to and a security interest in such portions of the Mortgaged Property the security interest in and disposition of which is governed by the Uniform Commercial Code (the “**Collateral**”).

3.02 Definitions and Interpretation of Uniform Commercial Code. All terms used herein which are defined in the Alabama Uniform Commercial Code (the “**Uniform Commercial Code**”) shall have the same meaning herein as in the Uniform Commercial Code unless otherwise indicated herein. References herein to the Uniform Commercial Code shall mean the Alabama Uniform Commercial Code as existing on the date of this Mortgage and as revised and amended from time to time. Anything to the contrary herein notwithstanding, rights and remedies of the debtor and secured party under the Uniform Commercial Code shall be deemed to mean such rights and remedies existing under the Uniform Commercial Code as in effect on the date such rights or remedies are enforced; provided, that no such interpretation shall have the effect of invalidating any security interest created hereunder. No reference herein to rights or remedies existing under the Uniform Commercial Code on the date of this Mortgage, which may not exist or which may be modified under later revisions or amendments to the Uniform Commercial Code, shall have the effect of invalidating this Mortgage or any security interest created hereunder.

3.03 Financing Statements. No financing statement covering any Collateral or any proceeds thereof is on file in any public office, except for financing statements specifically set forth on an addendum attached hereto, if any, and except for the financing statements executed by Mortgagor and Lender. At Lender’s request, Mortgagor will join with Lender in executing one or more financing statements pursuant to the Uniform Commercial Code in form satisfactory to Lender, and will pay the cost of filing the same in all public offices wherever filing is deemed by Lender to be necessary or desirable. Mortgagor authorizes Lender to prepare and to file financing statements covering the Collateral signed only by Lender and to sign Mortgagor’s signature to such financing statements in jurisdictions where Mortgagor’s signature is required. Mortgagor promises to pay to Lender the fees incurred in filing the financing statements, including but not limited to mortgage recording taxes payable in connection with filings on fixtures, which fees shall become part of the indebtedness secured hereby.

3.04 Representations of Mortgagor (Collateral). With respect to all of the Collateral, Mortgagor represents and warrants that:

- (a) The Collateral is used or bought primarily for business purposes;
- (b) All the Collateral will be kept at the address of Mortgagor shown in Paragraph 5.07(a) or, if not, at the real property described in **Exhibit A** hereto. Mortgagor promptly shall notify Lender of any change in the location of the Collateral. Except for transactions in the ordinary course of Mortgagor’s business, Mortgagor, its agents or employees, will not remove the Collateral from said location without the prior written consent of Lender;

- (c) If certificates of title are issued or outstanding with respect to any of the Collateral, Mortgagor shall cause Lender's interest to be properly noted thereon; and
- (d) Mortgagor's name has always been as set forth on the first page of this Mortgage, except as otherwise disclosed in writing to Lender. Mortgagor promptly shall advise Lender in writing of any change in Mortgagor's name.

3.05 Assignment of Liabilities. If at any time or times by sale, assignment, negotiation, pledge, or otherwise, Lender transfers any or all of the indebtedness or instruments secured hereby, such transfer shall, unless otherwise specified in writing, carry with it Lender's rights and remedies hereunder with respect to such indebtedness or instruments transferred, and the transferee shall become vested with such rights and remedies whether or not they are specifically referred to in the transfer. If and to the extent Lender retains any of such indebtedness or instruments, Lender shall continue to have the rights and remedies herein set forth with respect thereto.

3.06 No Obligation of Lender Under Assigned Contracts. Lender shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any contracts or agreements relating to the Mortgaged Property, and Mortgagor shall and does hereby agree to indemnify and hold Lender harmless of and from any and all liability, loss or damage which it may or might incur under any such contracts or agreements or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said contracts or agreements. Should Lender incur any such liability, loss or damage, under said contracts or agreements or under or by reason of the assignment thereof, or in the defense of any claims or demands asserted against Lender in connection with any one or more of said contracts or agreements, Mortgagor agrees to reimburse Lender for the amount thereof, including costs, expenses and reasonable attorneys' fees immediately upon demand, and until the same are fully reimbursed by Mortgagor, all such costs, expenses and attorneys' fees shall be secured by the assignment hereunder and by this Mortgage.

3.07 Default (Security Agreement). Upon the occurrence of any Event of Default and after the expiration of any applicable grace period, as described in Paragraph 4.01 of this Mortgage, Lender shall have all rights and remedies set forth in Article IV or elsewhere in this Mortgage.

ARTICLE IV

EVENTS OF DEFAULT AND REMEDIES

4.01 The term "**Event of Default**," wherever used in this Mortgage, shall mean the occurrence or existence of any one or more of the following events or circumstances:

- (a) The occurrence of an Event of Default under and as defined in the Loan Agreement; or

- (b) Failure by Mortgagor to duly observe any other covenant, condition or agreement of this Mortgage, and the continuance of such failure for thirty (30) days or more after written notice to Mortgagor

4.02 Acceleration of Maturity. If an Event of Default shall have occurred, then the entire balance of the indebtedness (including but not limited to the Loan and the Other Indebtedness) secured hereby (or such parts as Lender may elect) with interest accrued thereon (or such parts as Lender may elect) shall, at the option of Lender, become due and payable without notice or demand, time being of the essence. Any omission on the part of Lender to exercise such option when entitled to do so shall not be considered as a waiver of such right.

4.03 Right of Lender to Enter and Take Possession.

- (a) If an Event of Default shall have occurred and be continuing beyond any applicable notice and/or cure period, Mortgagor, upon demand of Lender, shall forthwith surrender to Lender the actual possession of the Mortgaged Property, and if and to the extent permitted by law, Lender or its agents may enter and take and maintain possession of all the Mortgaged Property, together with all the documents, books, records, papers and accounts of Mortgagor or then owner of the Mortgaged Property relating thereto, and may exclude Mortgagor and its agents and employees wholly therefrom.
- (b) Upon every such entering upon or taking of possession, Lender, as attorney-in-fact or agent of Mortgagor, or in its own name as mortgagee and under the powers herein granted, may hold, store, use, operate, manage and control the Mortgaged Property (or any portion thereof selected by Lender) and conduct the business thereof either personally or by its agents, and, from time to time (i) 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 other property; (ii) insure or keep the Mortgaged Property (or any portion thereof selected by Lender) insured; (iii) manage and operate the Mortgaged Property (or any portion thereof selected by Lender) and exercise all the rights and powers of Mortgagor in its name or otherwise, with respect to the same, including legal actions for the recovery of rent, legal dispossessory actions against tenants holding over and legal actions in distress of rent, and with full power and authority to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same, and to elect to disaffirm any lease or sublease made subsequent to this Mortgage or subordinated to the lien hereof; (iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted Lender, all as Lender from time to time may determine to be to its best advantage; and Lender may collect and receive all the income, revenues, rents, issues and profits of the Mortgaged Property (or any portion thereof selected by Lender), including those past due as well as those accruing thereafter, and, after deducting (aa) all expenses of taking, holding, managing, and operating the Mortgaged Property (including compensation for the services of all persons employed for such purposes), (bb) the cost of all such maintenance, repairs,

renewals, replacements, additions, betterments, improvements and purchases and acquisitions, (cc) the cost of such insurance, (dd) such taxes, assessments and other charges prior to this Mortgage as Lender may determine to pay, (ee) other proper charges upon the Mortgaged Property or any part thereof, and (ff) the reasonable compensation, expenses and disbursements of the attorneys and agents of Lender, Lender shall apply the remainder of the moneys so received by Lender, first to the payment of accrued interest under the Note; second to the payment of tax deposits required in Paragraph 1.04; third to the payment of any other sums required to be paid by Mortgagor under this Mortgage or under the other Loan Documents; fourth to the payment of overdue installments of principal on the Note; fifth to the payment of any sums due under Other Indebtedness Instruments, whether principal, interest or otherwise; and the balance, if any, as otherwise required by law.

- (c) Whenever all such Events of Default have been cured and satisfied, Lender may, at its option, surrender possession of the Mortgaged Property to Mortgagor, or to whomsoever shall be entitled to possession of the Mortgaged Property as a matter of law. The same right of taking possession, however, shall exist if any subsequent Event of Default shall occur and be continuing.

4.04 Receiver.

- (a) If an Event of Default shall have occurred and be continuing, Lender, upon application to a court of competent jurisdiction, shall be entitled, without notice and without regard to the adequacy of any security for the indebtedness hereby secured 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 to collect the rents, profits, issues, royalties and revenues thereof.
- (b) Mortgagor shall pay to Lender upon demand all costs and expenses, including receiver's fees, attorneys' fees, costs and agent's compensation, incurred pursuant to the provisions contained in this Paragraph 4.4; and all such expenses shall be secured by this Mortgage.

4.05 Lender's Power of Enforcement. If an Event of Default shall have occurred and be continuing, Lender may, either with or without entry or taking possession as hereinabove provided or otherwise, proceed by suit or suits at law or in equity or any other appropriate proceeding or remedy (a) to enforce payment of the Loan; (b) to foreclose this Mortgage; (c) to enforce or exercise any right under any Other Indebtedness Instrument; and (d) to pursue any other remedy available to Lender, all as Lender may elect.

4.06 Rights of a Secured Party. Upon the occurrence of an Event of Default, Lender, in addition to any and all remedies it may have or exercise under this Mortgage, the Note, any of the other Loan Documents, the Other Indebtedness Instruments or under applicable law, may immediately and without demand exercise any and all of the rights of a secured party upon default under the Uniform Commercial Code, all of which shall be cumulative. Such rights shall include, without limitation:

- (a) The right to take possession of the Collateral without judicial process and to enter upon any premises where the Collateral may be located for the purposes of taking possession of, securing, removing, and/or disposing of the Collateral without interference from Mortgagor and without any liability for rent, storage, utilities or other sums;
- (b) The right to sell, lease, or otherwise dispose of any or all of the Collateral, whether in its then condition or after further processing or preparation, at public or private sale; and unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender shall give to Mortgagor at least ten (10) days' prior notice of the time and place of any public sale of the Collateral or of the time after which any private sale or other intended disposition of the Collateral is to be made, all of which Mortgagor agrees shall be reasonable notice of any sale or disposition of the Collateral;
- (c) The right to require Mortgagor, upon request of Lender, to assemble and make the Collateral available to Lender at a place reasonably convenient to Mortgagor and Lender; and
- (d) The right to notify account debtors, and demand and receive payment therefrom.

To effectuate the rights and remedies of Lender upon default, Mortgagor does hereby irrevocably appoint Lender attorney-in-fact for Mortgagor, with full power of substitution to sign, execute, and deliver any and all instruments and documents and do all acts and things to the same extent as Mortgagor could do, and to sell, assign, and transfer any collateral to Lender or any other party.

4.07 Power of Sale. If an Event of Default shall have occurred, Lender may sell the Mortgaged Property to the highest bidder at public auction in front of the courthouse door in the county or counties, as may be required, where the Mortgaged Property is located, either in person or by auctioneer, after having first given notice of the time, place and terms of sale, together with a description of the property to be sold, by publication once a week for three (3) successive weeks prior to said sale in some newspaper published in said county or counties, as may be required, and, upon payment of the purchase money, Lender or any person conducting the sale for Lender is authorized to execute to the purchaser at said sale a deed to the Mortgaged Property so purchased. Lender may bid at said sale and purchase the Mortgaged Property, or any part thereof, if the highest bidder therefor. At the foreclosure sale the Mortgaged Property may be offered for sale and sold as a whole without first offering it in any other manner or may be offered for sale and sold in any other manner as Lender may elect. The provisions of Paragraph 4.06 of this Mortgage shall apply with respect to Lender's enforcement of rights or interests in personal property which constitutes Mortgaged Property hereunder.

4.08 Application of Foreclosure or Sale Proceeds. The proceeds of any foreclosure sale pursuant to Paragraph 4.07, or any sale pursuant to Paragraph 4.06, shall be applied as follows:

- (a) First, to the costs and expenses of (i) retaking, holding, storing and processing the Collateral and preparing the Collateral or the Mortgaged Property (as the case

may be) for sale, and (ii) making the sale, including a reasonable attorneys' fee for such services as may be necessary in the collection of the indebtedness secured by this Mortgage or the foreclosure of this Mortgage;

- (b) Second, to the repayment of any money, with interest thereon to the date of sale at the applicable rate or rates specified in the Note, this Mortgage, the other Loan Documents or the Other Indebtedness Instruments, as applicable, which Lender may have paid, or become liable to pay, or which it may then be necessary to pay for taxes, insurance, assessments or other charges, liens, or debts as hereinabove provided, and as may be provided in the Note or the other Loan Documents, such repayment to be applied in the manner determined by Lender;
- (c) Third, to the payment of the indebtedness (including but not limited to the Loan and the Other Indebtedness) secured hereby, with interest to date of sale at the applicable rate or rates specified in the Note, this Mortgage, the other Loan Documents or the Other Indebtedness Instruments, as applicable, whether or not all of such indebtedness is then due;
- (d) Fourth, the balance, if any, shall be paid as provided by law.

4.09 Lender's Option on Foreclosure. At the option of Lender, this Mortgage may be foreclosed as provided by law or in equity, in which event a reasonable attorneys' fee shall, among other costs and expenses, be allowed and paid out of the proceeds of the sale. In the event Lender exercises its option to foreclose this Mortgage in equity, Lender may, at its option, foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property, and the failure to make any such tenants parties defendants to any such foreclosure proceeding and to foreclose their rights will not be, nor be asserted to be by Mortgagor, a defense to any proceedings instituted by Lender to collect the sums secured hereby, or to collect any deficiency remaining unpaid after the foreclosure sale of the Mortgaged Property.

4.10 Waiver of Exemption. Mortgagor waives all rights of exemption pertaining to real or personal property as to any indebtedness secured by or that may be secured by this Mortgage, and Mortgagor waives the benefit of any statute regulating the obtaining of a deficiency judgment or requiring that the value of the Mortgaged Property be set off against any part of the indebtedness secured hereby.

4.11 Suits to Protect the Mortgaged Property. Lender shall have power (a) to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Mortgaged Property by any acts which may be unlawful or in violation of this Mortgage; (b) to preserve or protect its interest in the Mortgaged Property and in the income, revenues, rents and profits arising therefrom; and (c) 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 impair the security hereunder or be prejudicial to the interest of Lender.

4.12 Mortgagor to Pay the Note on any Default in Payment; Application of Moneys by Lender. If default shall occur in the payment of any amount due under this Mortgage, the Note,

any of the other Loan Documents or any of the Other Indebtedness Instruments, or if any other Event of Default shall occur under this Mortgage, then, upon demand of Lender, Mortgagor shall pay to Lender the whole amount due and payable under the Note and under all Other Indebtedness Instruments; and in case Mortgagor shall fail to pay the same forthwith upon such demand, Lender shall be entitled to sue for and to recover judgment for the whole amount so due and unpaid together with costs, which shall include the reasonable compensation, expenses and disbursements of Lender's agents and attorneys.

4.13 Delay or Omission No Waiver. No delay or omission of Lender or of 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 the Note, this Mortgage, any of the other Loan Documents, or the Other Indebtedness Instruments to Lender may be exercised from time to time and as often as may be deemed expedient by Lender.

4.14 No Waiver of One Default to Affect Another. No waiver of any default hereunder, under any of the other Loan Documents, or under any of the Other Indebtedness Instruments shall extend to or shall affect any subsequent or any other then existing default or shall impair any rights, powers or remedies consequent thereon.

If Lender (a) grants forbearance or an extension of time for the payment of any indebtedness secured hereby; (b) takes other or additional security for the payment thereof; (c) waives or does not exercise any right granted herein, in the Note, in any of the other Loan Documents, or in any of the Other Indebtedness Instruments; (d) releases any part of the Mortgaged Property from this Mortgage or otherwise changes any of the terms of this Mortgage, the Note, any of the other Loan Documents or the Other Indebtedness Instruments; (e) consents to the filing of any map, plat, or replat of or consents to the granting of any easement on, all or any part of the Mortgaged Property; or (f) makes or consents to any agreement subordinating the priority of this Mortgage, any such act or omission shall not release, discharge, modify, change, or affect the original liability under this Mortgage, the Note, the other Loan Documents, or the Other Indebtedness Instruments of Mortgagor or any subsequent purchaser of the Mortgaged Property or any part thereof, or any maker, co-signer, endorser, surety or guarantor; nor shall any such act or omission preclude Lender from exercising any right, power or privilege herein granted or intended to be granted in the event of any other default then made or of any subsequent default, nor, except as otherwise expressly provided in an instrument or instruments executed by Lender shall the provisions of this Mortgage be altered thereby. In the event of the sale or transfer by operation of law or otherwise of all or any part of the Mortgaged Property, Lender, without notice to any person, corporation or other entity (except notice shall be given to Mortgagor so long as Mortgagor remains liable under the Note, this Mortgage or any of the other Loan Documents) hereby is authorized and empowered to deal with any such vendee or transferee with reference to the Mortgaged Property or the indebtedness secured hereby, or with reference to any of the terms or conditions hereof, or of the other Loan Documents, 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 of the liabilities or undertakings hereunder.

4.15 Discontinuance of Proceedings — Position of Parties Restored. In case Lender 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 shall have been determined adversely to Lender, then and in every such case Mortgagor and Lender shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Lender shall continue as if no such proceeding had been taken.

4.16 Remedies Cumulative. No right, power, or remedy conferred upon or reserved to Lender by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder, or under the Note, any of the other Loan Documents, the Other Indebtedness Instruments or now or hereafter existing at law or in equity or by statute.

4.17 Notice of Defaults Under the Loan Documents and Other Credit Arrangements. Mortgagor shall give prompt notice to Lender of any defaults by Mortgagor under this Mortgage or any of the other Loan Documents, and of any notice of default received by Mortgagor under any other credit arrangement of Mortgagor.

ARTICLE V

MISCELLANEOUS

5.01 Binding Effect. Wherever in this Mortgage one of the parties hereto is named or referred to, the heirs, administrators, executors, successors, assigns, distributees, and legal and personal representatives of such party shall be included, and all covenants and agreements contained in this Mortgage by or on behalf of Mortgagor or by or on behalf of Lender shall bind and inure to the benefit of their respective heirs, administrators, executors, successors, assigns, distributees, and legal and personal representatives, whether so expressed or not. Notwithstanding the foregoing, Mortgagor shall not be entitled to assign any of its rights, titles, and interests hereunder, or to delegate any of its obligations, liabilities, duties, or responsibilities hereunder, and will not permit any such assignment or delegation to occur (voluntarily or involuntarily, or directly or indirectly), without the prior written consent of Lender.

5.02 Headings. The headings of the articles, sections, paragraphs and subdivisions of this Mortgage are for convenience of reference only, are not to be considered a part hereof, and shall not limit or otherwise affect any of the terms hereof. "Herein," "hereby," "hereunder," "hereof," and other equivalent words or phrases refer to this Mortgage and not solely to the particular portion thereof in which any such word or phrase is used, unless otherwise clearly indicated by the context.

5.03 Gender; Number. Whenever the context so requires, the masculine includes the feminine and neuter, the singular includes the plural, and the plural includes the singular.

5.04 Invalid Provisions to Affect No Others. In case any one or more of the covenants, agreements, terms or provisions contained in this Mortgage, in the Note, in any of the other Loan Documents, or in the Other Indebtedness Instruments shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein, and in the Note, in the other Loan Documents and in the Other Indebtedness Instruments shall be in no way affected, prejudiced or disturbed thereby.

5.05 Loan Documents. Wherever reference is made herein to this Mortgage, the Note, the Loan Documents, or the Other Indebtedness Instruments, such reference shall include all renewals, extensions, modifications and refinancings thereof.

5.06 Instrument Under Seal. This Mortgage is given under the seal of all parties hereto, and it is intended that this Mortgage is and shall constitute and have the effect of a sealed instrument according to law.

5.07 Addresses and Other Information. The following information is provided in order that this Mortgage shall comply with the requirements of the Uniform Commercial Code, as enacted in the State of Alabama, for instruments to be filed as financing statements:


- (a) **Name of Mortgagor:** Snaveco, L.L.C.
Address of Mortgagor: Attention: Frank E. Evans
2257 Taylor Road, Suite 300
Montgomery, Alabama 36117
- (b) **Name of Lender (Secured Party):** Aliant Bank, a division of USAmeriBank
Address of Lender: Attention: Ron Creel
2740 Zelda Road
Montgomery, Alabama 36116
- (c) **Record Owner of Real Estate described on Exhibit A hereto:** Snaveco, L.L.C.

5.08 Applicable Law. This Mortgage shall be governed by the laws of the State of Alabama.

5.09 Waiver of Jury Trial. MORTGAGOR HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY ON ANY CLAIM, COUNTERCLAIM, SETOFF, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING OUT OF OR IN ANY WAY RELATED TO THIS MORTGAGE, ANY OF THE OTHER LOAN DOCUMENTS OR THE OBLIGATIONS SECURED HEREBY, OR (B) IN ANY WAY CONNECTED WITH OR PERTAINING OR RELATED TO OR INCIDENTAL TO DEALINGS OF THE LENDER WITH RESPECT TO ANY OF THE LOAN DOCUMENTS OR IN CONNECTION WITH THIS MORTGAGE OR THE EXERCISE OF ANY PARTY'S RIGHTS AND REMEDIES UNDER THIS MORTGAGE OR OTHERWISE, OR THE CONDUCT OR THE RELATIONSHIP OF THE PARTIES HERETO, IN ALL OF THE FOREGOING CASES WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. MORTGAGOR AGREES THAT LENDER MAY FILE A COPY OF THIS MORTGAGE WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY, AND BARGAINED AGREEMENT OF SUCH PARTIES IRREVOCABLY TO WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY AS AN INDUCEMENT OF LENDER TO MAKE THE LOAN AND THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY DISPUTE OR CONTROVERSY WHATSOEVER (WHETHER OR NOT MODIFIED

HEREIN) BETWEEN MORTGAGOR AND LENDER SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

[END OF PAGE]



20120928000370860 24/29 \$1612.50
Shelby Cnty Judge of Probate, AL
09/28/2012 12:38:07 PM FILED/CERT



20120928000370860 25/29 \$1612.50
 Shelby Cnty Judge of Probate, AL
 09/28/2012 12:38:07 PM FILED/CERT

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed and effective as of the day and year first above written.

MORTGAGOR:

SNAVECO, L.L.C.

an Alabama limited liability company

By: Frank E. Evans
 Its: Manager

STATE OF ALABAMA

COUNTY OF MONTGOMERY

I, David Bowen Hughes, a Notary Public in and for said County in said State, hereby certify that Frank E. Evans, whose name as Manager of SNAVECO, L.L.C., an Alabama limited liability company, is signed to the foregoing Mortgage, Assignment of Rents and Leases, and Security Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand this the 27th day of September, 2012.

David Bowen Hughes

Notary Public

My commission expires: 9-9-2013

[NOTARIAL SEAL]





20120928000370860 26/29 \$1612.50
Shelby Cnty Judge of Probate, AL
09/28/2012 12:38:07 PM FILED/CERT

EXHIBIT A

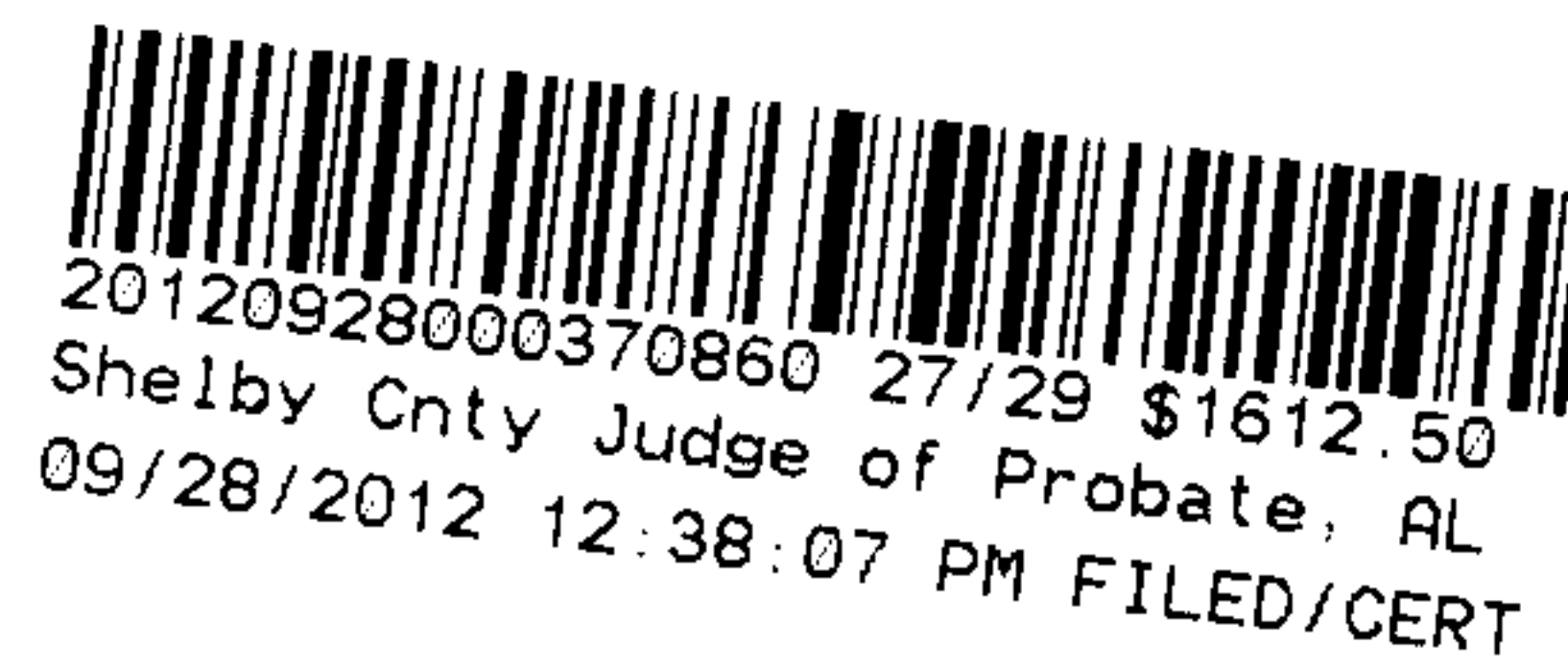
Description of Land

1501 FORESTDALE BLVD., BIRMINGHAM, AL (JEFFERSON COUNTY):

Commence at the Southwest corner of Southwest 1/4 of Southwest 1/4 of Section 7, Township 17 South, Range 3 West; thence in an Easterly direction along Southern boundary of said Section 7 for 852.05 feet to the intersection with the centerline of a public highway know as U.S. Highway 78 West; thence at an angle of 55 degrees 23 minutes to the right and in a Southeasterly direction along the said centerline of said highway 88.18 feet; thence at an angle of 90 degrees to the left an in a northeasterly direction a distance of 70 feet; thence at an angle of 90 degrees to the right in a Southeasterly direction a distance of 35 feet to a point; said point also being the point of beginning of the herein described parcel: thence at an angle of 90 degrees to the left and in a Northeasterly direction a distance of 150 feet; thence an angle of 90 degrees to the right and in a Southeasterly direction a distance of 105 feet to the center line of Walker Road as dedicated by deed recorded in Real Volume 633, at Page 284 in the Office of the Judge of Probate of Jefferson County, Alabama; thence an angle of 90 degrees to the right and along said center line of Walker Road a distance of 150 feet to a point on the Northeasterly right of way line of said U.S. Highway 78 West; thence at an angle of 90 degrees to the right and in a Northwesternly direction along said Northeasterly right of way line for a distance of 105 feet to the point of beginning.

Less & Except the Right of Way of Walker Road as dedicated by deed recorded in Real Volume 633, at Page 284 and Real Volume 633, at Page 286, in the Office of the Judge of Probate of Jefferson County, Alabama, more particularly described as follows:

Commence at the Southwest corner of Southwest 1/4 of the Southwest 1/4 of Section 7, Township 17 South, Range 3 West; thence in an Easterly direction along Southern boundary of said Section 7 for 852.05 feet to the intersection with the centerline of a public highway known as U.S. Highway 78 West; thence at an angle of 55 degrees 23 minutes to the right and in a Southeasterly direction along the said centerline of said highway 88.18 feet; thence at an angle of 90 degrees to the left an in a Northeasterly direction a distance of 70 feet; thence at an angle of 90 degrees to the right in a Southeasterly direction a distance of 94.95 feet to the Northwesternly right of way of Walker Road as dedicated by deed recorded in Real Volume 633, at Page 286 in the Office of the Judge of Probate of Jefferson County, Alabama; said point also being the Point of Beginning of the herein described parcel; thence at an angle of 45 degrees to the left and in a Southeasterly direction and along said Northwesternly right of way of Walker Road a distance of 42.50 feet to the Northwesternly right of way of Walker Road as dedicated by deed recorded in Real Volume 633, at Page 284 in the Office of the Judge of Probate of Jefferson County, Alabama; thence at an angle of 45 degrees to the left and in a Northeasterly direction and along said Northwesternly right of way of Walker Road a distance of 119.95 feet; thence at an angle of 90 degrees to the right and in a Southeasterly direction a distance of 105 feet to the center line of Walker Road as dedicated by deed recorded in Real Volume 633, at Page 284 in the Office of the Judge of Probate of Jefferson County, Alabama; thence at an angle of 90 degrees to the right and along said center line of Walker Road a distance of 150 feet to a point on the Northwesternly right



of way of said U.S. Highway 78 West; thence at an angle of 90 degrees to the right and in a Northwesterly direction along said Northeasterly right of way line for a distance of 45.05 feet to the Point of Beginning.

3827 NORMAN BRIDGE ROAD, MONTGOMERY, ALABAMA (MONTGOMERY COUNTY):

Lot "A" of Hardees Plat No. 11, as the same appears of record in the Office of the Judge of Probate of Montgomery County, Alabama, in Plat Book 34, at Page 213

1007 & 1013 1ST STREET, ALABASTER, AL (SHELBY COUNTY):

From the SE corner of the NE 1/4 of the NE 1/4, Section 35, Township 20 South, Range 3 West, run Westerly along the South boundary line of said 1/4-1/4 Section 350.00 feet; thence turn an angle of 96°38' to the right and run Northeasterly 171.21 feet; thence turn an angle of 90°46' to the right and run Easterly 100.35 feet to the Point of Beginning of the land herein described; thence turn an angle of 90°39' to the left and run Northeasterly 164.98 feet to a point on the South right of way of Shelby County Road No. 66; thence turn an angle of 91°20' to the right and run Easterly along the South right of way line of said road 54.97 feet to the West right of way line of U.S. Highway 31; thence turn an angle of 93°56' to the right and run Southwesterly along the West right of way of U.S. Highway 31 for 78.54 feet; thence turn an angle of 2°5' to the left and continue Southwesterly along the West right of way line of U.S. Highway 31 for 85.81 feet; thence turn an angle of 86°19' to the right and run Northwesterly for 42.99 feet to the Point of Beginning.

4546 ST. STEPHENS ROAD, EIGHT MILE, AL (MOBILE COUNTY):

Begin at a found 1/2" rebar lying on the South line of Lott Road, which point is 88.42 feet West of the intersection of the Basil Chastang Grant and the South line of Lott Road; from said Point of Beginning, run S 21°40'30"W, 169.50 feet to a found 1/2" rebar lying on the Northeastwardly right of way line of St. Stephens Road (US Highway 45 - 80" Public Right of Way); thence run N 43°22'24"W, 147.47 feet to a found concrete monument lying at a point of curvature; thence run along said curve (concave Southeasterly, R=25.0'), a chord of N 20°52'41"E, 45.10 feet to a found concrete monument lying on the South right of way line of the aforementioned Lott Road; thence run along said South right of way, N 86°49'52"E, 148.03 feet to the Point of Beginning. Said described parcel lying and being situated in the Southeast Quarter of Section 24, T-3-S, R-2-W, Mobile County, Alabama, and contains 0.341 acres (14838 Square Feet), more or less. Being the same parcel of land as described in Book 6455 at Page 157 in the Office of the Judge of Probate of Mobile County, Alabama, less and except previously granted right of way.

EXHIBIT B

Permitted Exceptions to Title

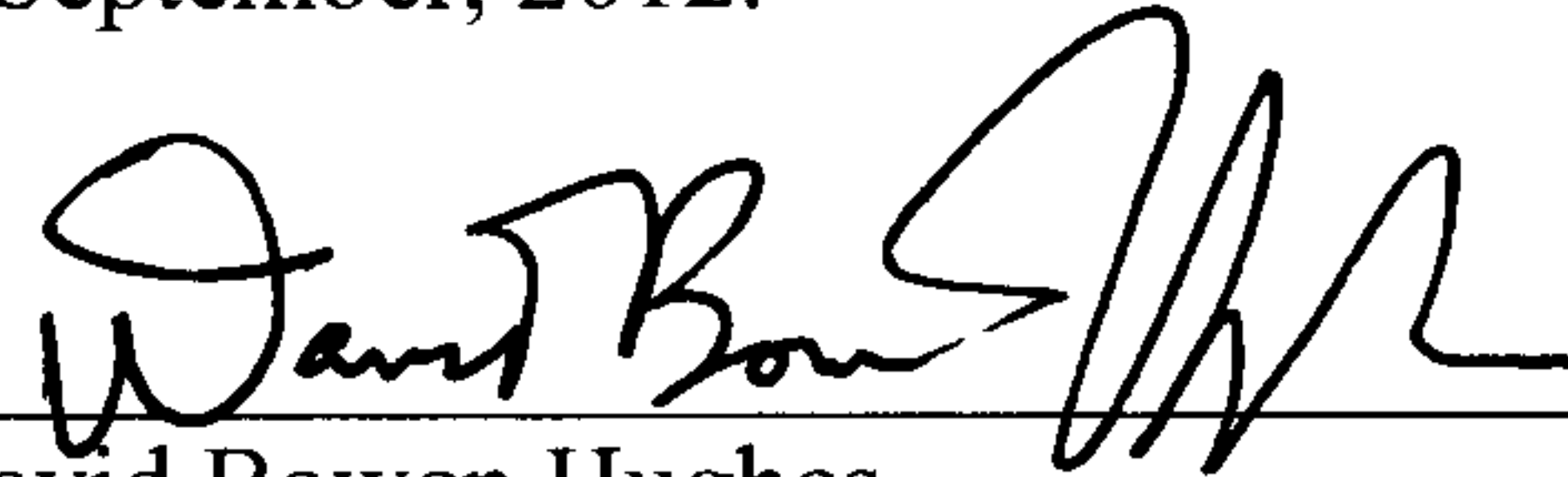
1. Rights of parties in possession, as tenants only, pursuant to written leases with Mortgagor;
2. Taxes and assessments not yet due and payable.
3. Easements, covenants, conditions, and restrictions of record.
4. Applicable zoning ordinances.
5. Matters reflected on surveys provided to Lender contemporaneously herewith.
6. Any minerals or mineral rights leased, granted or retained by prior owners.

BREAKDOWN OF MORTGAGE TAX

**\$1,011,000 Mortgage from
Snaveco, L.L.C., as Mortgagor,
to Aliant Bank, a division of USAmeriBank, as Mortgagee**

County	Value of that part of Mortgaged Property located in each County	Percentage of Mortgaged Property Located in each County	Amount of Mortgage Tax Due in each County
Jefferson County	\$175,000.00	17.31%	\$263
Montgomery County	\$191,000.00	18.89%	\$286.50
Shelby County	\$400,000.00	39.57%	\$600
Mobile County	\$245,000.00	24.23%	\$367
Totals	\$1,011,000.00	100%	\$1,516.50

Respectfully submitted this 27th day of September, 2012.



David Bowen Hughes
FRITZ HUGHES & HILL, LLC
1784 Taliaferro Trail, Suite A
Montgomery, Alabama 36117
(334) 215-4422 (FAX) 215-4424