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Shelby Cnty Judge of Probate, AL
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I certify this instrument filed on
7/5/2017 8:37 AM Doc: MTG
Alan L. King, Judge of Probate
Jefferson County, AL. Rec: \$82.00
MtgTx: \$15,000.00
Clerk: DRBESS

**This instrument was prepared by
and upon recording should be returned to:**

Doug Flaum, Esq.
Nelson Mullins Riley & Scarborough LLP
201 17th Street, NW, Suite 1700
Atlanta, Georgia 30363

STATE OF ALABAMA)
COUNTY OF JEFFERSON)
COUNTY OF SHELBY)

**NOTE TO JUDGE OF PROBATE: THE
MORTGAGE TAX COLLECTED SHOULD
BE ALLOCATED EQUALLY BETWEEN
JEFFERSON AND SHELBY COUNTIES**

82.00
15,000.00
15,082.00

**MASTER FUTURE ADVANCE MORTGAGE, ASSIGNMENT OF RENTS AND LEASES
AND SECURITY AGREEMENT
(ALABAMA)**

THIS INDENTURE (herein this "*Mortgage*") made this ____ day of June, 2017, by **4G BP 2017, LLC**, an Alabama limited liability company ("*Borrower*"), as the mortgagor, in favor of **BAY POINT CAPITAL PARTNERS, LP**, a Delaware limited partnership (together with its successors or assigns, "*Lender*"), as the 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.

CHECK IF ☒ THIS MORTGAGE IS A "CONSTRUCTION MORTGAGE" AS
APPLICABLE DEFINED
IN SECTION 7-9A-334(h) OF THE CODE OF ALABAMA AND
SECURES, AMONG OTHER OBLIGATIONS, AN OBLIGATION
INCURRED FOR THE CONSTRUCTION OF AN IMPROVEMENT
ON LAND.

RECITALS:

A. Borrower is justly indebted to Lender on a revolving line of credit for each Loan thereunder in the maximum principal amount of Ten Million and 00/100 Dollars (\$10,000,000.00) or so much as may from time to time be disbursed thereunder, as evidenced by that certain Revolving Line of Credit Agreement, dated as April 27, 2017, by Borrower and Lender (the "*Line of Credit Agreement*"; each capitalized term used herein but not defined herein shall have the meaning set forth in the Line of Credit Agreement), and each Note as set forth therein.

CHECK IF ☒ The entire indebtedness under the Line of Credit Agreement and Notes
APPLICABLE shall mature on the date that is thirty (30) months after April 27, 2017, or
such earlier date as provided in the Line of Credit Agreement, any Note
or as provided in any other Loan Document.

If not checked above, then on demand or as otherwise provided in each Note.

B. The parties desire to secure the principal amount of each Note with interest, and all renewals, extensions and modifications thereof, and all refinancings of any part of each Note and any and all other additional indebtedness of Borrower 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 (the "**Other Indebtedness**").

NOW THEREFORE, Borrower, in consideration of Lender's making each 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 Borrower, including but not limited to reasonable 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 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, the following described land, real estate, real property, buildings, improvements, and fixtures (together with any additional such property in the possession of Lender or hereafter acquired by Borrower and subject to the lien of this Mortgage, or intended to be so, as the same may be constituted from time to time, the "**Mortgaged Property**") to wit:

(a) All that tract or parcel or parcels of land, real estate, and real property particularly described on **Exhibit A** attached hereto and made part hereof (herein, the "**Land**");

(b) All buildings, structures, and improvements of every nature whatsoever now or hereafter situated on the Land, and all fixtures, fittings, building materials of every nature whatsoever now or hereafter owned by Borrower 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, building materials 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) All accounts, general intangibles, contracts and contract rights relating to the Land and Improvements, whether now owned or existing or hereafter created, acquired or arising, including without limitation, contracts, contract rights, option rights, put agreements, and all other agreements relating to: the acquisition by Borrower of any Lot in the Approved Subdivisions; the construction by Borrower of a Home or any other Improvements on any such Lot; any real estate brokerage agreement now existing or hereafter entered into between Borrower and any real estate broker concerning the sale of any Lot or any Lot and Home located thereon; any staging agreement now existing or hereafter entered into between Borrower and any person concerning the temporary staging of (providing furnishings for) any Home on any Lot; all marketing agreements now existing or hereafter entered into between Borrower concerning the marketing for sale of any now or hereafter existing Home on any Lot; all insurance policies now or hereafter owned by Borrower during the term of any Loan related to Borrower's ownership of any Lot now or hereafter acquired by Borrower and/or any Home now or hereafter constructed and owned by Borrower on any Lot; all architectural services contracts now or hereafter entered into by Borrower related to the construction of any Home and/or other Improvements on any Lot; all now or hereafter existing management contracts to which Borrower is a party related to any Lot and/or Home; all now or hereafter existing leasing agent contracts to which Borrower is a party related to any Lot/and/or Home; all now or hereafter existing Sales Contracts to which Borrower is a party related to the sale or proposed sale by Borrower of a Home on a Lot; any and all other now or hereafter existing purchase and sales contracts,

put or option contracts, and all other contracts and agreements relating to the construction, maintenance, and/or sale of any Home on any Lot;

(d) Together with any and all now or hereafter existing permits, licenses, consents, authorizations, and approvals issued or granted by any declarant or any homeowners' association pursuant to any restrictive covenants pertaining to any Lot now or hereafter acquired by Borrower, or by any Governmental Authority or by any private or public utilities service provider, whether as a condition to Borrower's acquisition of any Lot, Borrower's construction of a Home or other Improvements on any such Lot, approval of Borrower's plans and specifications for the construction of any Home on any Lot, the connection of any Lot and Home thereon to any public or private utilities system or service, or for any other purpose or reason, including, without limitation, land disturbance permits, land clearing permits, tree cutting permits, building permits, approvals of plans and specifications for the construction of a Home on any Lot, and any certificate of occupancy for any Home hereafter constructed on any Lot;

(e) 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 Borrower, 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 Borrower 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 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 Borrower 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 reasonable 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;

(f) All cash and non-cash proceeds and all products of any of the foregoing items or types of property described in (a), (b), (c), (d), or (e) 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 of types of property described in (a), (b), (c), (d), or (e) 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 Borrower shall fully pay or cause to be fully paid to Lender the principal and interest payable with respect of the Land and each 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 Borrower, and shall pay all charges incurred herein by Lender on account of Borrower, including, but not limited to, reasonable attorneys' fees, and shall pay and all other Indebtedness, and

shall keep, perform and observe all and singular the covenants, conditions and agreements in this Mortgage, in each 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 Borrower, all without fraud or delay, and (ii) Lender shall have no further commitment or agreement to make advances, incur obligations or give value under each Loan, each Note, and any 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.

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

ARTICLE I. GENERAL

1.01 **Performance of Mortgage, Note and Loan Documents.** Borrower shall perform, observe and comply with all provisions hereof, of the Line of Credit Agreement, each 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 each Note, with interest thereon, and all other sums required to be paid by Borrower pursuant to the provisions of this Mortgage, of each Note, of the other Loan Documents, and of the Other Indebtedness, all without any deductions or credit for taxes or other similar charges paid by Borrower.

1.02 **Warranty of Title.** Borrower hereby warrants that it is lawfully seized of an indefeasible estate in fee simple in the land and real property hereby mortgaged, minerals and mining rights excepted, or is lawfully seized of such other estate or interest as 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, subject to any instruments, agreements, or other matters recorded in said Probate Office prior to the date hereof, 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 Borrower 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 each Loan and advances having been made as of the date hereof, but also future advances under each existing Loan and future Loans and any and all Other Indebtedness, obligations and liabilities, direct or contingent, of Borrower to Lender, whether now existing or hereafter arising, and any and all extensions, renewals, modifications and refinancing 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. The Line of Credit, each Loan and the Other Indebtedness may, if provided in the applicable loan instruments, provide for revolving or open-end loans and advances, all of which shall be secured by this Mortgage.

1.04 **Monthly Tax Deposit.** If required by Lender, Borrower 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.

Borrower 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 any 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 any Note, to Other Indebtedness, or to other obligations secured hereby, shall delay, reduce, alter or otherwise affect any regularly scheduled payment with respect to any Loan, the Other Indebtedness, or any such other obligations.

1.05 Other Taxes, Utilities and Liens.

(a) Borrower shall pay promptly, when and as due, and, if requested, will exhibit promptly to Lender receipts for the payment of all 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 1), or any charge which, if unpaid, would become a lien or charge upon the Mortgaged Property.

(b) Borrower promptly shall pay and shall not suffer any mechanic's, laborer's, statutory or other lien to be created or to remain outstanding upon any 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 Borrower immediately shall pay any increased taxes if allowed by law, and if Borrower fails to pay such additional taxes, or if Borrower 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 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) Borrower shall procure for, deliver to, and maintain for the benefit of Lender during the term of this Mortgage insurance policies in such amounts as Lender shall require, insuring the Mortgaged Property against fire, extended coverage, war damage (if available), and such other insurance hazards, casualties and contingencies as Lender may require. The form of such policies and the companies issuing them shall be acceptable to Lender, and, unless otherwise agreed by Lender in writing, shall provide for coverage without coinsurance or deductibles. All policies shall contain a non-contributory mortgagee endorsement making losses payable to Lender, as mortgagee. At least fifteen (15) days prior to the expiration date of all such policies, renewals thereof satisfactory to Lender shall be delivered to Lender. Borrower shall deliver to Lender receipts evidencing the payment of all such insurance policies and renewals. In the event of the foreclosure of this Mortgage or any transfer of title to the Mortgaged Property in partial or full extinguishment of the indebtedness secured hereby, all right, title and interest of Borrower, or its assigns, in and to all insurance policies then in force shall pass to the purchaser or grantee.

(b) Lender hereby is 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. Each insurance company hereby is authorized and directed to make payment for all such losses directly to Lender instead of to Borrower and Lender jointly. 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 Borrower'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 Borrower 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) If required by Lender, Borrower shall pay on the first day of each month, in addition to any regular installment of principal and interest and other charges with respect to indebtedness secured hereby, and 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, Borrower agrees to deliver to Lender such additional moneys as are necessary to make up any deficiencies in the amounts deposited by Borrower 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 Borrower under each 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 each Loan, to Other Indebtedness, or to other obligations secured hereby, shall delay, reduce, alter or otherwise affect any regularly scheduled payment with respect to each Loan, the Other Indebtedness, or any such other obligations.

1.07 **Condemnation.** If all or any 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, the entire indebtedness secured hereby shall at the option of Lender become immediately due and payable. Lender shall be entitled to all compensation, awards, and other payments or relief for any condemnation and hereby is authorized, at its option to commence, appear in and prosecute, in its own or Borrower's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. All such compensation, awards, damages, claims, rights of action and proceeds and the right thereto are hereby assigned by Borrower to Lender, which, after deducting therefrom all its expenses, including reasonable attorney's 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 remaining shall be paid to Borrower. Borrower agrees to execute such further assignments of any compensations, awards, damages, claims, rights of action and proceeds as Lender may require. Borrower 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 Borrower, its own legal counsel in connection with any such proceedings or threatened proceedings. Lender shall be under no obligation to Borrower 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) Borrower 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 Improvements, or other part of the Mortgaged Property shall be removed, demolished or substantially altered without the prior written consent of Lender. Borrower may sell or otherwise dispose of, free from the lien of this Mortgage, Improvements, 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 Five Thousand and 00/100 Dollars (\$5,000.00) for any single transaction, or total of Twenty Thousand and 00/100 Dollars (\$20,000.00) 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 Improvements 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 Improvements 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, Borrower shall give immediate written notice of the same to Lender.

(d) Lender hereby is authorized to enter upon and inspect the Mortgaged Property, and to inspect Borrower's or Borrower's agent's records with respect to the ownership, use, management and operation of the Mortgaged Property, at any time during normal business hours.

(e) If all or any part of the Mortgaged Property shall be damaged by fire or other casualty, Borrower 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; provided, however, that if there are insurance proceeds, Borrower shall not be required to restore the Mortgaged Property as aforesaid unless Lender shall apply any net proceeds from the casualty in question and held by Lender, as allowed under Paragraph 1.06, toward restoring the damaged improvements. If a part of the Mortgaged Property shall be physically damaged through condemnation, Borrower promptly shall restore, repair or alter the remaining property in a manner satisfactory to Lender; provided, however, that if there are condemnation proceeds or awards, Borrower shall not be required to restore the Mortgaged Property as aforesaid unless Lender shall apply any net proceeds or awards from the condemnation and held by Lender, as provided in paragraph 1.07, toward restoring the damaged improvements.

1.09 Further Assurances; After-Acquired Property.

(a) At any time, and from time to time, upon request by Lender, Borrower, at Borrower'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 reasonable opinion of Lender, be necessary or desirable in order to effectuate, complete, or perfect, or to continue and preserve the obligation of Borrower under each Note and this Mortgage, 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 Borrower to the extent the same is directly related to each Note. Upon any failure by Borrower so to do, Lender may make, execute, and record any and all such mortgages, instruments, certificates, and documents for and in the name of Borrower, and Borrower hereby irrevocably appoints Lender the agent and attorney-in-fact of Borrower so to do. The lien and rights hereunder automatically will attach, without further act, to all after-acquired property to the extent the same is directly related to each Note (except consumer goods, other than accessions, not acquired within (10) days after Lender has given value under each 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 Borrower by whatsoever means, including that in the event Borrower 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 Borrower 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 Borrower 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 each Loan as aforesaid, and to secure each Loan, the Other Indebtedness and obligations set forth above, Borrower 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 Borrower, now or hereafter expressly agreed by Borrower to constitute part of the security for the Loans. Upon an Event of Default, 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 each Loan or Other Indebtedness secured hereby, and in such manner as Lender may determine, any such monies, securities or other property. 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 each Loan or such Other Indebtedness or obligations.

1.11 **Leases Affecting Mortgaged Property.** Borrower 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, Borrower shall furnish Lender with executed copies of all leases now or hereafter existing on the Mortgaged Property; and leases now or hereafter entered into will be in form and substance subject to the approval of Lender. Borrower shall not accept payment of rent more than one (1) month in advance without the express written consent of Lender. If requested by Lender, Borrower 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. Borrower shall not cancel, surrender or modify any lease affecting the Mortgaged Property or any part thereof without the written consent of Lender.

1.12 **Expenses.** Borrower shall pay or reimburse Lender for all reasonable attorney's 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, any Note, any of the other Loan Documents, any of the Other Indebtedness Instruments, Borrower 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; 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 Borrower.** If Borrower 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 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 each 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 Borrower to Lender with interest thereon calculated in the manner set forth in each Note, and at the default interest rate specified in each 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 Borrower or any person in possession holding under Borrower for trespass or otherwise.

1.14 **Books and Records.** Borrower 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. Upon request of Lender, Borrower shall furnish to Lender (i) within ninety (90) days after the end of Borrower's fiscal year a balance sheet and a statement of income and expenses, both in reasonable detail and form satisfactory to Lender and certified by the chief financial officer of Borrower as true and correct, and (ii) within ten (10) days after request therefor from Lender, a rent schedule of the Mortgaged Property, certified by Borrower, showing the name of each tenant, and for each tenant, the space occupied, the lease expiration date and the rent paid.

1.15 **Estoppel Affidavits.** Within ten (10) days after written request from Lender, Borrower shall furnish a written statement, duly acknowledged, setting forth the unpaid principal of and interest on each Loan and Other Indebtedness and whether or not any offsets or defenses exist against any principal and interest.

1.16 **Alienation, Lease or Sale of Mortgaged Property.** Except as set forth in Section 8.8 of the Line of Credit Agreement, Borrower shall not sell, lease, assign, mortgage, encumber, grant a security interest in or otherwise convey all or any part or any interest in the Mortgaged Property without obtaining the express written consent of Lender at least thirty (30) days prior to such conveyance. If Borrower should sell, lease, assign, mortgage, encumber, grant a security interest in or convey all, or any part, of or interest in the Mortgaged Property without such consent by Lender or in accordance with Section 8.8 of the Line of Credit Agreement, then, in such event, the entire balance of the indebtedness (including each 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.

1.17 **Environmental and Compliance Matters.** Borrower represents, warrants and covenants to the best of its knowledge as follows:

(a) No Hazardous Materials (hereinafter defined) have been, are, or will be, while any part of the indebtedness secured by this Mortgage remains unpaid, contained in, treated, stored, handled, generated, located on, discharged from, or disposed of on, or constitute a part of, the Mortgaged Property. As used herein, the term "***Hazardous Materials***" includes, without limitation, any asbestos, urea formaldehyde foam insulation, flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related or unrelated substances or materials defined, regulated, controlled, limited or prohibited in the Comprehensive Environmental Response Compensation

and Liability Act of 1980 (“**CERCLA**”) (42 U.S.C. Sections 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Sections 1801, et seq.), the Resource Conservation and Recovery Act (“**RCRA**”) (42 U.S.C. Sections 6901, et seq.), the Clean Water Act (33 U.S.C. Sections 1251, et seq.), the Clean Air Act (42 U.S.C. Sections 7401, et seq.), the Toxic Substances Control Act (15 U.S.C. Sections 2601, et seq.), each such Act as amended from time to time, and in the rules and regulations adopted and publications promulgated pursuant thereto, and in the rules and regulations of the Occupational Safety and Health Administration (“**OSHA**”) pertaining to occupational exposure to asbestos, as amended from time to time, or in any other federal, state or local environmental law, ordinance, rule, or regulation now or hereafter in effect;

(b) No underground storage tanks, whether in use or not in use, are located in, on or under any part of the Mortgaged Property;

(c) All of the Mortgaged Property complies and will comply in all respects with applicable environmental laws, rules, regulations, and court or administrative orders;

(d) There are no pending claims or threats of claims by private or governmental or administrative authorities relating to environmental impairment, conditions, or regulatory requirements with respect to the Mortgaged Property;

(e) Borrower 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. Without limiting the foregoing, Borrower represents and covenants that the Mortgaged Property is in present compliance with, and in the future shall comply with, as applicable, the Americans With Disabilities Act of 1990, (“**ADA**”) (42 U.S.C. Sections 12101, et seq.) and the Rehabilitation Act of 1973 (herein, the “**Rehabilitation Act**”) (29 U.S.C. Sections 749, et seq.), each such Act as amended from time to time, and in the rules and regulations adopted and publications promulgated pursuant thereto; and

(f) Borrower shall give immediate oral and written notice to Lender of its receipt of any notice of a 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.

Borrower agrees to and does hereby indemnify and hold Lender harmless from all loss, cost, damage, claim and expense incurred by Lender on account of (i) the violation of any representation or warranty set forth in this Paragraph 1.17, (ii) Borrower’s failure to perform any obligations of this paragraph 1.17, (iii) Borrower’s or the Mortgaged Property’s failure to fully comply with all environmental laws, rules and regulations as a proximate and direct result of the affirmative actions of Borrower, with all occupational health and safety laws, rules and regulations, with the ADA or the Rehabilitation Act, as applicable, or (iv) any other matter related to environmental or physical conditions on, under or affecting the Mortgaged Property proximately and directly caused by the affirmative actions of Borrower. This indemnification shall survive the closing of the Line of Credit and each Loan, payment of each Loan, the exercise of any right or remedy under any Loan Document, and any subsequent sale or transfer of the Mortgaged Property, and all similar or related events or occurrences for a term of three (3) years from the earlier of (I) the date on which Borrower pays off all of the Obligations and the Line of Credit terminates or (II) the date on which Lender through foreclosure or deed in lieu of foreclosure, provided that, on such date set forth in (I) or (II) as applicable, Borrower shall have provided Lender with a phase 1 environmental site assessment reflecting that no Hazardous Materials are located on the Land, and otherwise in such form and substance and by such assessor as are reasonably acceptable to Lender. However, this indemnification shall not apply to any new Hazardous Materials first stored, generated or placed on the



Mortgaged Property after the acquisition of title to the mortgaged Property by Lender through foreclosure or deed in lieu of foreclosure or purchase from a third party after each Loan has been paid in full.

1.18 **Inspection Rights and Easements.** In addition to other inspection rights of Lender, Borrower 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 reasonable 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 Borrower, with interest, and shall be secured by this Mortgage and the other Loan Documents.

1.19 **Use, Governmental Compliance.** Borrower shall: (a) use the Mortgaged Property solely for the uses provided for in the Line of Credit Agreement executed by Borrower and Lender in connection with each Loan, or otherwise as permitted in writing by Lender; (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 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, "***Governmental Requirements***" means all laws, rules, regulations, ordinances, judgments, decrees, codes, orders, injunctions, notices and demand letters of any Governmental Authority.

ARTICLE II. ASSIGNMENT OF RENTS AND LEASES

2.01 **Assignment.** Borrower, in consideration of Lender's making each 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 refinancing of same, and any charges herein incurred by Lender on account of Borrower, including but not limited to attorney's fees, and any and all Other Indebtedness, and further to secure the performance of the covenants, conditions and agreements hereinafter set forth in each 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 Borrower 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 taking possession of the Mortgaged Property pursuant to the provisions hereinafter set forth.

2.02 **Prepayment of Rent.** Borrower represents and agrees that no rent has been or will be paid by any person in possession of any portion of the Mortgaged Property for more than one installment in advance and that the payment of none of the rents to accrue for any portion of said Mortgaged Property has been or will be waived, released, reduced, or discounted, or otherwise discharged or compromised by Borrower. Borrower waives any right of setoff against any person in possession of any portion of the Mortgaged Property. Borrower 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 Borrower.

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 Borrower shall have the right to collect the rents so long as there exists no Event of Default under this Mortgage, and provided further, that Borrower's right to collect such rents shall terminate and cease automatically upon the occurrence of any such Event of Default 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 Borrower shall and does hereby agree to indemnify and hold Lender harmless to 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 claims or demands asserted against Lender in connection with any one or more of said leases, subleases or agreements, Borrower 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 Borrower, all such costs, expenses and attorney's fees shall be secured by the assignment hereunder and by this Mortgage.



2.06 **Instruction to Lessees.** Borrower 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, as described in Paragraph 4.1 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.** Borrower (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 each 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 refinancing of same, and any charges herein incurred by Lender on account of Borrower, including but not limited to reasonable attorneys’ fees, and any and all Other Indebtedness, and further to secure the performance of the covenants, conditions and agreements hereinafter set forth in each 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.** All terms used herein which are defined in the Alabama Uniform Commercial Code (herein, the “**Uniform Commercial Code**”) shall have the same meaning herein as in the Uniform Commercial Code unless otherwise indicated herein.

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 Borrower and Lender. At Lender’s request, Borrower 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. Borrower authorizes Lender to prepare and to file financing statements covering the Collateral signed only by Lender and to sign Borrower’s signature to such financing statements in jurisdictions where Borrower’s signature is required. Borrower 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 Borrower (Collateral).** With respect to all of the Collateral, Borrower represents and warrants that:

- (a) The Collateral is used or bought primarily for business purposes;
- (b) The Collateral is being acquired and/or installed with the proceeds of each Note which Lender may disburse directly to the seller, contractor, or subcontractor;
- (c) All the Collateral will be kept at the address of Borrower shown in Paragraph 5.08 (a) or, if not, at the real property described in Exhibit A hereto. Borrower promptly shall notify Lender of any change in the location of the Collateral. Except for transactions in the ordinary course of

Borrower's business, Borrower, its agents or employees, will not remove the Collateral from said location without the prior written consent of Lender;

(d) If certificates of title are issued or outstanding with respect to any of the Collateral, Borrower shall cause Lender's interest to be properly noted thereon; and

(e) Borrower's name has always been as set forth on the first page of this Mortgage, except as otherwise disclosed in writing to Lender. Borrower promptly shall advise Lender in writing of any change in Borrower'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 Borrower 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, Borrower 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 Borrower, 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, 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 **Event of Default.** The term "*Event of Default*," wherever used in this Mortgage, shall have the meaning set forth in the Line of Credit Agreement.

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 each Loan and 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, Borrower, 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 Borrower or then owner of the Mortgaged Property relating thereto, and may exclude Borrower 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 Borrower, 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 Borrower 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 Borrower 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 reasonable expenses of taking, holding, managing, and operating the Mortgaged Property (including compensation for the services of all persons employed for such purposes), (bb) the reasonable 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 each 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 Borrower under this Mortgage or under the other Loan Documents; fourth to the payment of overdue installments of principal on each 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 Borrower, 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) Borrower 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 4.04; 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, whether judicial or non-judicial, (a) to enforce payment of each 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, each 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 Borrower 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 Borrower 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 Borrower agrees shall be reasonable notice of any sale or disposition of the Collateral;

(c) The right to require Borrower, upon request of Lender, to assemble and make the Collateral available to Lender at a place reasonably convenient to Borrower 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, Borrower does hereby irrevocably appoint Lender attorney-in-fact for Borrower, 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 Borrower 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, whether 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, including, without limitation, credit 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 interest 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 reasonable 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 each 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 each 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 each Loan and the Other Indebtedness) secured hereby, with interest to date of sale at the applicable rate or rates specified in each Note, this Mortgage, the other Loan Documents or the Other Indebtedness Instruments, as applicable, whether or not all of such indebtedness is then due; and

(d) Fourth, the balance, if any, shall be paid as provided by applicable 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 reasonable costs and expenses, be allowed and paid out of the proceeds of the sale. In the event Lender exercises its option to foreclosure 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 Borrower, 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.** Borrower waives all rights of exemption or post-foreclosure redemption pertaining to real or personal property as to any indebtedness secured by or that may be secured by this Mortgage, and Borrower 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 **Borrower to Pay each 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, each 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, Borrower shall pay to Lender the whole amount due and payable under each Note and under all Other Indebtedness Instruments; and in case Borrower 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 each 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 each 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 or Event of 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 Event of Default or shall impair any rights, powers or remedies consequent thereon.

If Lender (a) grants forbearance or any 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 any 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 any other Loan Documents or otherwise changes any of the terms of this Mortgage, each Note, any of the other Loan Documents or the Other Indebtedness Instruments; (e) consents to the filing of any map, plat, or replat 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, charge or affect the original liability under this Mortgage, each Note, the other Loan Documents, or the Other Indebtedness Instruments of Borrower 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 Borrower so long as Borrower remains liable under each 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 the event 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 Borrower 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 each Note, any of the 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.** Borrower shall give prompt notice to Lender of any defaults by Borrower under this Mortgage or any of the other Loan Documents, and of any notice of default received by Borrower under any other credit arrangement of Borrower.

4.18 **Tenancy at Sufferance.** If Borrower remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Borrower, Borrower shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (i) pay a reasonable rental for the use of the Property, or (ii) vacate the Property immediately upon the demand of Lender. This clause shall survive any termination of this Mortgage by foreclosure or otherwise and any rents owed Lender or expenses incurred by Lender under this section, including reasonable attorneys' fees, whether before or after foreclosure, shall be added to the Indebtedness and an expense payable by Borrower under each Note or Loan Agreement. This is in addition to, and not in limitation of, any other remedies available to Lender by law, under this document, or under any Related Documents.

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 Borrower 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, Borrower 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 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 each 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 each 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, each Note, the Loan Documents, or the Other Indebtedness Instruments, such reference shall include all renewals, extensions, modifications and refinancings thereof.

5.06 **Conflict in Loan Documents.** In the event of conflict in the terms of any provisions in this Mortgage, each Note, any of the other Loan Documents, or the Other Indebtedness Instruments, the terms of the provision most favorable to Lender shall apply.

5.07 **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.

5.08 **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 Borrower:	4G BP 2017, LLC
	Address of Borrower	c/o Embassy Homes, LLC 5406 Highway 280 East, Suite C101 Birmingham, Alabama 35242 Attn: Clark Parker
	With a copy to:	Michael M. Partain Esq. Michael M. Partain, LLC The Kress Building 301 Nineteenth Street North, Suite 501 Birmingham, Alabama 35203
(b)	Name of Lender (Secured Party):	Bay Point Capital Partners, LP
	Address of Lender	3050 Peachtree Road NW, Suite 2 Atlanta, Georgia 30305 Attn: Charles Andros
	With a copy to:	Doug Flaum, Esq. Nelson Mullins Riley & Scarborough LLP 201 17th Street, NW, Suite 1700 Atlanta, Georgia 30363
(c)	Record Owner of Real Estate described on <u>Exhibit A</u> hereto:	4G BP 2017, LLC 5406 Highway 280 East, Suite C101 Birmingham, Alabama 35242 Attention: Clark Parker

5.09 **Controlling Law; Jurisdiction.** THE VALIDITY, INTERPRETATION, ENFORCEMENT, AND EFFECT OF THIS MORTGAGE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF

ALABAMA. BORROWER CONSENTS THAT ANY LEGAL ACTION OR PROCEEDING ARISING HEREUNDER, MAY BE BROUGHT IN THE FEDERAL AND STATE COURTS PRESIDING IN SUCH STATE AND IN ANY COUNTY IN WHICH IN WHICH ANY HOME OR LOT IS LOCATED, AT LENDER'S ELECTION (IN LENDER'S SOLE AND ABSOLUTE DISCRETION) AND ASSENTS AND SUBMITS TO THE PERSONAL JURISDICTION OF ANY SUCH COURT IN ANY ACTION OR PROCEEDING INVOLVING THIS AGREEMENT. NOTHING HEREIN SHALL LIMIT THE JURISDICTION OF ANY OTHER COURT.

5.10 **Rider.** (Intentionally Omitted).

[Signature pages follow.]


20170705000238140 21/23 \$82.00
Shelby Cnty Judge of Probate, AL
07/05/2017 03:45:38 PM FILED/CERT

IN WITNESS WHEREOF, the undersigned has caused this Mortgage to be duly executed by its authorized representative as of the date first above written.

4G BP 2017, LLC,
an Alabama limited liability company

By: 

Name: Clark Parker

Its: Manager

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

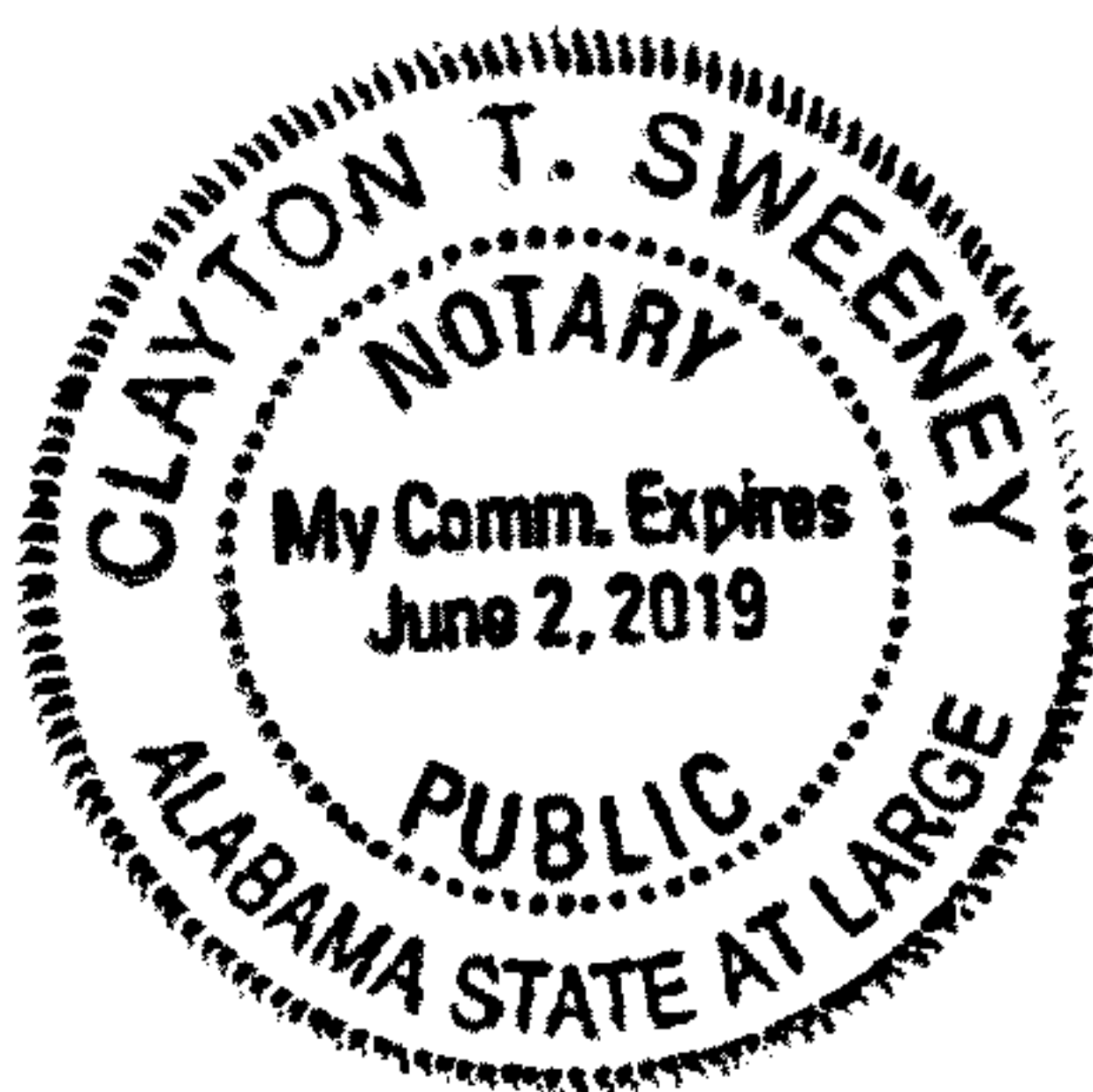
I, the undersigned Notary Public in and for said County in said State, hereby certify that Clark Parker, an adult person, whose name as Manager of **4G BP 2017, LLC**, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this date that, being informed of the contents of this instrument, he in such capacity and with full authority, executed the same for and as act of said limited liability company.

Given under my hand and official seal this 30th day of June, 2017.

{NOTORIAL SEAL}


Notary Public

My Commission Expires: 6-2-2019





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Shelby Cnty Judge of Probate, AL
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EXHIBIT A

Legal Description of Land

Lot 8, according to the Survey of McGill Crossings Estates, as recorded in Map Book 48, Page 54, in the Probate Office of Jefferson County, Alabama (Bessemer Division).

Lot 7-193, according to the survey of Chelsea Park, Second Addition, Grayson Place Neighborhood, as recorded in Map Book 45, Page 97, in the Office of the Judge of Probate of Shelby County, Alabama.


Together with the nonexclusive easement to use the Common Areas as more particularly described in Declaration of Easements and Master Protective Covenants of Chelsea Park, a Residential Subdivision, executed by the grantor and filed for record as Instrument No 20041014000566950 in the Probate Office of Shelby County, Alabama and Declaration of Covenants, Conditions and Restrictions for Chelsea Park 7th Sector filed for record as Instrument No. 20061229000634370 and Supplementary Declaration of Covenants Conditions and Restrictions for Chelsea Park 7th Sector as recorded in Instrument No. 20151230000442850 (which, together with all amendments thereto, are hereinafter collectively referred to as the "Declaration").

Lot 28, according to the Survey of McGill Crossings Phase II, as recorded in Map Book 48, Page 12, in the Probate Office of Jefferson County, Alabama (Bessemer Division).

Lot 54, according to the Survey of Longmeadow Phase D - Sector Four A, as recorded in Map Book 244, Page 94, in the Office of the Judge of Probate of Jefferson County, Alabama.

Lot 7-140, according to the survey of Chelsea Park, Second Addition, Grayson Place Neighborhood, as recorded in Map Book 45, Page 97, in the Office of the Judge of Probate of Shelby County, Alabama.

Together with the nonexclusive easement to use the Common Areas as more particularly described in Declaration of Easements and Master Protective Covenants of Chelsea Park, a Residential Subdivision, executed by the grantor and filed for record as Instrument No 20041014000566950 in the Probate Office of Shelby County, Alabama and Declaration of Covenants, Conditions and Restrictions for Chelsea Park 7th Sector filed for record as Instrument No. 20061229000634370 and Supplementary Declaration of Covenants Conditions and Restrictions for Chelsea Park 7th Sector as recorded in Instrument No. 20151230000442850 (which, together with all amendments thereto, are hereinafter collectively referred to as the "Declaration").


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