This Instrument Prepared by/Return to:
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Anchors Smith Grimsley
909 Mar Walt Drive, Ste. 1014
Fort Walton Beach, Florida 32547

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STATE OF FLORIDA
COUNTY OF OKALOOSA

FIRST PRIORITY MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING

This First Priority Mortgage, Assignment of Rents, Security Agreement and Fixture Filing ("**Mortgage**") is made as of the date set forth below, by **LCAA, LLC**, a Florida limited liability company, ("**Mortgagor**"), the address of which is 830 Magnolia Shores Drive, Niceville, Florida 32578; in favor of **Synovus Bank,** a Georgia banking corporation ("**Mortgagee**"), the address of which is 23 S. John Sims Parkway, Valparaiso, Florida 32580.

This Mortgage is given to secure that certain promissory note of **Mortgagor** dated September 16, 2019 in the principal amount of **One Million One Hundred Eight Thousand Four Hundred and 00/100 Dollars** ($1,108,400.00) (which with all renewals, amendments, extensions and modifications thereof is hereinafter referred to as the "**Note**") together with all other indebtedness and obligations of Mortgagor to Mortgagee, now existing or hereafter incurred, whether joint or several, direct or indirect, absolute or contingent, liquidated or unliquidated, secured by other property or unsecured, whether incurred as maker, endorser, surety, guarantor or otherwise, including but not limited to indebtedness or obligations incurred or arising from: (i) Protective Advances or future advances made hereunder; (ii) attorney's fees and costs payable pursuant to the terms hereof; (iii) property taxes, assessments and insurance premiums due on the Mortgaged Property; (iv) all other indebtedness, obligations, covenants, terms and conditions owed to Mortgagee under the Note, this Mortgage or any other document now or hereafter executed and delivered to Mortgagee to evidence, secure or effectuate the credit transaction evidenced by the Note (collectively the "Loan Documents"); and (v) all other indebtedness and obligations of Mortgagor owed to Mortgagee, direct or contingent, due or to become due, now existing or hereafter arising, including, without limitation, all advances and future advances, all interest, fees and charges, attorneys' fees, expenses of collection and costs, and further including, without limitation, any and all obligations to Mortgagee on promissory notes, checks, overdrafts, letter-of-credit agreements, loan agreements, security documents, endorsements, guaranties, and agreements with respect to any swap, forward, future, or derivative transaction or option or similar agreement involving, or settled by reference to, one or more interest rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value

(all of the foregoing described indebtedness and other obligations secured hereby may hereinafter be referred to collectively as the "**Obligations**" and singularly as an "**Obligation**").

NOW THEREFORE, to secure the prompt payment and performance of the Obligations, Mortgagor, for and in consideration of the sum of TEN DOLLARS ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, transfer, assign, mortgage, sell and convey unto the Mortgagee, the following described property:

A. All right, title and interest of Mortgagor, now existing or hereafter acquired, in and to the land described in **Exhibit "A"** attached hereto and incorporated herein by reference, together with any and all structures and improvements now and/or hereafter located thereon (the "**Real Property**"). All furniture, furnishings, fixtures and equipment now and/or hereafter located thereon, including but not limited to all gas and electric fixtures, heaters, air conditioning equipment, machinery, motors, pumps, tanks, cranes, engines, plumbing and all other items of property used or useful in connection with the operation of said Real Property, which are now or may hereafter pertain to or be used with, in or on said Real Property, and which, even though they are detached or detachable, are and shall be deemed to be fixtures and accessions to the freehold and a part of the Real Property, and all additions thereto and replacements thereof, together with each and every existing and future property interest, tenements, hereditament, easements, rights, powers, privileges, immunities and appurtenances thereunto belonging or in anyway appertaining at law as well as in equity (the real property, improvements, fixtures, personalty, and property rights described above are hereinafter collectively called the "**Property**");

B. All present or future development rights, governmental consents and approvals, contracts, contract rights, instruments, permits, licenses, choses-in-action or other general intangible rights of any nature whatsoever now or hereafter dealing with, affecting or concerning the Property, any portion thereof or any interest therein, and now or hereafter existing, acquired or held by Mortgagor, and derived, arising from or relating to any operation, development, ownership or management of the Property or businesses or concessions conducted on the Property, including, without limitation: (i) any agreements for the provision of utilities to all or any portion of the Property water and sewer taps and credits; (ii) all franchise, licenses and other agreements regarding the operation of the Property, and all products and proceeds of the foregoing; (iii) all rights and interest of Mortgagor in and to all construction contracts, service or management contracts and service related to the Property; and (iv) all of Mortgagor's right, title and interest in and to any construction plans, specifications, drawings, permits or agreements relating to the development of the Property;

C. All right, title and interest of Mortgagor, in and to all existing and future easements, rights of way, riparian rights and all other rights appurtenant to the Real Property.

D. All existing and future leases, proceeds, rents, issues, profits, revenue, income and other benefits derived from the Property, including, but not limited to, proceeds arising from any condemnation proceedings or any oil and gas or mineral interests or leases.

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Everything referred to in paragraphs (A), (B), (C) and (D) above is hereinafter collectively referred to as the **"Mortgaged Property"**.

TO HAVE AND TO HOLD the same;

PROVIDED ALWAYS, that if: (i) all of the Obligations to Mortgagee are paid and performed; (ii) all of the payments set forth in the Note shall be paid; and (iii) each and every stipulation, agreement, condition and covenant of the Loan Documents shall be promptly performed, complied with and abided by, then this Mortgage and the estate hereby created shall cease and be null and void, but shall otherwise remain in full force and effect.

Mortgagor covenants and agrees with Mortgagee as follows:

1. **Compliance with Note and Mortgage; Representations and Warranties.** Mortgagor shall comply with or cause to be complied with all provisions of the Note, this Mortgage and the other Loan Documents, and will promptly pay to or cause to be paid to Mortgagee the principal with interest thereon and all other sums required to be paid by Mortgagor and/or Maker under the Note and pursuant to the provisions of this Mortgage and of every other instrument securing the Note. Mortgagor's interest in the Property and title to the remaining Mortgaged Property is unencumbered (with the exception of this Mortgage and the Permitted Encumbrances (as set forth on **Exhibit "B"** hereto), and Mortgagor has lawful authority to convey, mortgage and encumber the same as provided by the Mortgage, and does hereby so warrant. Mortgagor warrants that this is a first Mortgage subject to the Permitted Encumbrances. Mortgagor will make such further assurances to perfect title to the Mortgaged Property in the Mortgagee as may reasonably be required; and Mortgagor does hereby fully warrant Mortgagor's title to the Mortgaged Property and will defend the same against the lawful claims of all persons whomsoever. Mortgagor further represents and warrants unto the Mortgagee as follows: (i) Mortgagor, if not a natural person, is duly organized and existing under the laws of the jurisdiction of its formation; (ii) the signatory hereto is authorized to execute this instrument on behalf of the Mortgagor; and (iii) the terms of this Mortgage do not violate any terms of the Mortgagor's organizational documents nor any other contract to which the Mortgagor is a party and the Mortgage is legally binding upon the Mortgagor.

2. **Payment of Taxes and Liens.** Subject to Mortgagor's right to timely protest and appeal any tax assessments or levies, Mortgagor shall pay all the taxes, assessments, levies, liabilities, obligations and encumbrances of every nature now on the Mortgaged Property or that hereafter may be imposed, levied or assessed upon this Mortgage or the Mortgaged Property or upon the indebtedness secured hereby, whether prior or subordinate to the lien of this Mortgage. All such payments to be made when due and payable according to law before they become delinquent and before any interest attaches or any penalty is incurred. Upon Mortgagee's request, Mortgagor shall provide proof of such payments.

3. **Insurance.** Mortgagor shall obtain and maintain at all times adequate fire and multiple perils insurance covering all development and construction work, buildings, improvements, and off-site and on-site materials on the Mortgaged Property, including without limitation fire and extended coverage insurance (including windstorm coverage), builder's risk,

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workmen's compensation insurance, liability insurance, and business interruption insurance for one (1) year of interruption/loss, and, when applicable, flood insurance on the Mortgaged Property, together with endorsements to the policies including but not limited to a Law and Ordinance endorsement and a "delay in completion" endorsement, all in an amount equal to the full insurable value of the buildings and improvements. Notwithstanding the foregoing, as to any improvements under construction, the fire and extended coverage insurance and the business interruption insurance shall not be required to be obtained until substantial completion of those improvements. All such policies shall be issued by an insurer(s) that is acceptable to Mortgagee in Mortgagee's sole and absolute discretion, that is licensed to do business in Alabama and whose claims paying ability is rated at least "A" by Standard and Poor's or A/A - VIII by A.M. Best as published in Best's Key Rating Guide. Mortgagee shall receive the original insurance policies or the original ACORD evidence thereof with a complete copy of such policies of insurance. All policies and renewals thereof shall have attached thereto loss payable clauses naming Mortgagee as first mortgagee and in form acceptable to Mortgagee with a provision for 30 days prior written notice to Mortgagee of intention to cancel, modify or not renew. Mortgagor shall pay promptly, when due, all premiums on such insurance.

In the event of loss, Mortgagor shall give immediate notice by mail to Mortgagee and Mortgagee may make proof of loss if not made promptly by Mortgagor. Prior to the occurrence of an Event of Default, all insurance proceeds shall be made payable to Mortgagor who shall hold said funds in trust and disburse them solely for the restoration and repair of the Mortgaged Property. Mortgagor shall provide Mortgagee with an accounting of such expenditures, and any excess proceeds shall be paid over to Mortgagee and applied as a principal reduction on the Note. Upon the occurrence and during the continuation of an Event of Default, the following shall apply: Each insurance company concerned is hereby authorized and directed to make payments for such loss directly to Mortgagee instead of Mortgagor. Insurance proceeds or any part thereof may be applied by Mortgagee, at its option, after deducting therefrom all its expenses including attorneys' fees, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the Mortgaged Property damaged. Upon the occurrence of and continuation of any Event of Default, Mortgagee is hereby authorized, at its option, to settle and compromise any claims, awards, damages, rights of action and proceeds, and any other payment or relief under any insurance policy. In the event of foreclosure of this Mortgage or other transfer of title to the Mortgaged Property in extinguishment of the indebtedness secured hereby, all right, title, and interest of Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee. If Mortgagee elects to apply the proceeds to the reduction of sums secured hereby, Mortgagee may apply said Proceeds in such manner as Mortgagee shall determine, and may also apply to the reduction of sums secured hereby any amount under this paragraph remaining to Mortgagor's credit and any return premium received from cancellation of any insurance policy by Mortgagee upon foreclosure of this Mortgage.

4. **Funds for Taxes and Insurance.** Upon the occurrence and during the continuation of an Event of Default, subject to applicable law, Mortgagee may in its sole discretion, require Mortgagor to pay to Mortgagee on the day monthly payments of principal and/or interest are payable under the Note, until the Obligations are paid in full, the sum equal to one-twelfth of the yearly taxes and assessments which may attain priority over this Mortgage, as reasonably estimated initially and from time to time by Mortgagee on the basis of assessments

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and bills and reasonable estimates thereof. Subject to applicable law and only following and during the continuation of an Event of Default, Mortgagee may also require Mortgagor to pay to Mortgagee on the day monthly payments of principal and/or interest are payable under the Note, until the Obligations are paid in full, the sum equal to one-twelfth of yearly premium installments for the insurance required by paragraph 2 above, as reasonably estimated initially and from time to time by Mortgagee on the basis of assessments and bills and reasonable estimates thereof. The amounts so payable shall be referred to herein as the **"Funds"**.

If Mortgagor pays Funds to Mortgagee, Mortgagee shall apply the Funds to pay said taxes, assessments and insurance premiums. Unless required by applicable law, Mortgagee shall not be required to pay Mortgagor any interest or earnings on the Funds. Mortgagee shall give to Mortgagor, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the Note and all other sums secured by this Mortgage.

If the amount of the Funds held by Mortgagee, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments and insurance premiums shall exceed the amount required to pay said taxes, assessments and insurance premiums as they fall due, such excess shall be credited to Mortgagor against future monthly installments of Funds. If the amount of the Funds held by Mortgagee shall not be sufficient to pay taxes, assessments and insurance premiums as they fall due, Mortgagor shall pay to Mortgagee any amount necessary to make up the deficiency in one or more payments as Mortgagee may require. Upon payment in full of all sums secured by this Mortgage, Mortgagee shall promptly refund to Mortgagor any Funds held by Mortgagee.

Notwithstanding the foregoing, the Mortgagee shall at all times have the right, after and during the continuation of an Event of Default, to apply such escrow funds to the obligations secured by the Note and this Mortgage in such order as the Mortgagee deems appropriate. Any deficiency in the amount of any such aggregate monthly payment shall constitute a default under this Mortgage.

5. **Condemnation.** If the Mortgaged Property or any part thereof shall be damaged or taken through condemnation (which term used herein shall include any damage or taking by any governmental authority or any other authority authorized by the laws of the State of Alabama or the United States of America to so damage or take, and any transfer by private sale in lieu thereof), either temporarily or permanently, such that Mortgagor will no longer be able to conduct its business thereon, the entire indebtedness and other sums secured hereby shall, at the option of Mortgagee, become immediately due and payable; provided, however, if the taking or damage does not materially impair the value of the Mortgaged Property as collateral or so long as Mortgagor can continue to conduct its business on the remaining property in a manner substantially comparable to its business conduct prior to such taking, then Mortgagee may not elect to accelerate the outstanding indebtedness. Upon the occurrence and during the continuation of an Event of Default, Mortgagee shall be entitled to all compensation awards, damages, claims, rights of action and proceeds of, or on account of any damage or taking through condemnation and 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

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condemnation, and to settle or compromise any claim in connection therewith. All such compensation awards, damages, claims, rights or action and proceeds, and any other payments or relief, and the right thereto, are hereby assigned by Mortgagor to Mortgagee and Mortgagee after deducting therefrom all its expenses including attorneys' fees may release any monies so received by it without affecting the lien of this Mortgage or may apply the same in such manner as Mortgagee shall determine in its sole discretion, to the reduction of the sums secured hereby and to any prepayment charge provided in the Note, this Mortgage or any instrument securing the Note. Any balance of such monies 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 the Mortgagee may require and in furtherance of the assignment contained herein, Mortgagor irrevocably appoints Mortgagee as its attorney-in-fact.

6. **Care of Mortgaged Property.** Mortgagor shall not permit, commit, or suffer any waste, impairment, or deterioration of the Mortgaged Property or any part thereof, and shall keep the same and improvements thereon in good working condition and repair. Mortgagor shall promptly repair, restore, replace or rebuild any part of the Mortgaged Property that may be damaged or destroyed by casualty or other means whatsoever. Mortgagor shall notify Mortgagee in writing within five (5) days of any material damage, or impairment of the Mortgaged Property. Mortgagee may, at Mortgagee's discretion, have the Mortgaged Property inspected at any time, provided that such inspections do not occur more often than once a year unless an Event of Default has occurred and is continuing, and Mortgagor shall pay all reasonable costs incurred by Mortgagee in executing such inspection. Mortgagor shall not knowingly use, or allow the Mortgaged Property to be used or occupied, for any unlawful purpose or in violation of any permit, certificate, law, ordinance, regulation or restrictive covenant now or hereafter covering or affecting the use or occupancy thereof, or suffer any act to be done, any condition to exist or any article to be brought thereon that may be dangerous or that may constitute a public or private nuisance.

7. **Mortgagee's Right to Make Certain Payments.** In the event Mortgagor fails to pay or discharge any taxes, assessments, levies, liabilities, obligations and other encumbrances on or before applicable due dates, or fails to keep the Mortgaged Property insured or to deliver the policies, premiums paid, or fails to repair or make intended improvements to the Mortgaged Property as agreed, within fifteen (15) days of notice by Mortgagee to Mortgagor, Mortgagee may, at its option, pay or discharge the taxes, assessments, levies, liabilities, and obligations and encumbrances or any part thereof, to procure and pay for such insurance or to make and pay for such repairs and improvements(a "**Protective Advance**"), in addition to the right of Mortgagee to exercise its other rights and remedies. Notwithstanding the forgoing, Mortgagee may in its discretion within such fifteen (15) day period, pay any such sum in order to avoid a cancellation of coverage or imposition of any penalty, fine or late charge. Mortgagee shall have no obligation on its part to determine the validity or necessity of any payment thereof and any such payment shall not waive or affect any option, lien equity or right of Mortgagee under or by virtue of this Mortgage, including such nonpayment or performance by Mortgagor constituting an Event of Default. The full amount of each and every Protective Advance shall be immediately due and payable and shall bear interest from the date thereof until paid at the highest then applicable rate under the Note and together with such interest, shall be secured by the lien of this Mortgage and any other lien securing the Note. Nothing herein contained shall be construed as requiring

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Mortgagee to advance or expend monies for any of the purposes mentioned in this paragraph and Mortgagee's payment of Protective Advances shall not constitute a cure or waiver of any Event of Default.

8. **Payment of Other Expenses.** In addition to Protective Advances, Mortgagor shall, within fifteen (15) days of Mortgagee's request, reimburse Mortgagee for: (i) title abstracts and updates that Mortgagee may from time to time obtain on the Real Property; and (ii) real estate appraisals obtained by Mortgagee for the purpose of complying with any regulatory provision requiring Mortgagee to obtain and maintain in its loan records acceptable evidence of the current fair market value of the Real Property. If not timely paid, the full amount of each and every such request for reimbursement shall bear interest from the date thereof until paid at the highest then applicable rate under the Note. All such costs, charges and expenses so incurred, shall be secured by the lien of this Mortgage and any other lien securing the Note.

9. **After Acquired Property and Future Acts.** The lien of this Mortgage will automatically attach, without further act, to all after acquired property, interests or rights of whatever kind affecting or benefiting the Mortgaged Property or after acquired property located in or on, or attached to, or used or intended to be used in connection with or in the operation of the Mortgaged Property. Mortgager shall not, without the prior written consent of Mortgagee (which consent shall not be unreasonably withheld, conditioned or delayed), file or join in any request to rezone or subdivide the Property, nor join in or record any easement, land use agreement, restrictive covenants or other agreement that would affect or alter the use, value or utility of all or any portion of the Mortgaged Property.

10. **Additional Documents.** At all times the Obligations are outstanding and unsatisfied, upon Mortgagee's request, Mortgagor shall make, execute and deliver or cause to be made, executed and delivered to Mortgagee and, where appropriate, shall cause to be recorded or filed and thereafter to be rerecorded or refiled at such time and in such places as shall be deemed desirable by Mortgagee any and all such further mortgages, instruments of further assurance, certificates and other documents as Mortgagee may consider necessary or desirable in order to effectuate, complete, enlarge, perfect, or to continue and preserve the obligations of Mortgagor under the Note and this Mortgage and all other instruments securing the Note, and the lien of this Mortgage as a valid and perfected lien upon all of the Mortgaged Property. Upon any failure by Mortgagor to do so, or in the event this Mortgage is released in error, Mortgagee may make, execute, record, file, re-record, or refile any and all such mortgages, instruments, certificates and documents for and in the name of Mortgagor. Mortgagor hereby irrevocably appoints Mortgagee agent and attorney-in-fact of Mortgagor to do all things necessary to effectuate or assure compliance with this paragraph.

11. **Reporting Requirements. See Loan Agreement of even date.**

12. **Financing Statement.**

(a) This Mortgage constitutes a security agreement under the Alabama Uniform Commercial Code (as the same may be amended from time to time, the "**Code**") and serves as a fixture filing in accordance with the Code. This Mortgage creates and to

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secure the Obligations, Mortgagor hereby grants to Mortgagee a security interest in favor of Mortgagee as secured party under the Code with respect to all Mortgaged Property which is covered by the Code and all replacements of such property, substitutions for such property, additions to such property, and the proceeds thereof (all of said property and the replacements, substitutions and additions thereto and the proceeds thereof being hereinafter collectively referred to as the "**Collateral**").

(b) Upon occurrence and during the continuation of an Event of Default, Mortgagee pursuant to the appropriate provisions of the Code, shall have the right, in addition to all others, to proceed with respect to personal property in accordance with its rights and remedies of a secured party under the Code and as set forth in any separate Security Agreement or any amendments or modification thereof. The parties agree that, at Mortgagee's option, any foreclosure sale under this Mortgage will convey title to the Collateral to the purchaser at such sale and such sale shall be a disposition of the Collateral under the Code. Mortgagor acknowledges that all fixtures, equipment and machinery are an integral and necessary part of the value, utility and operation of the improvements and facilities located on the Real Property, and as a result may be sold en masse by Mortgagee in conjunction with the Property in any foreclosure sale. The parties also agree that in the event that Mortgagee proceeds as to both the Real Property and the Collateral simultaneously by foreclosing this Mortgage, the notice of such foreclosure shall be deemed to be reasonable notice of the public sale of the Collateral. Otherwise, the parties agree that, in the event Mortgagee shall elect to proceed separately with the sale of certain portions of the Collateral, ten (10) days notice to Mortgagor shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling and the like incurred by Mortgagee shall include, but not be limited to, reasonable attorneys' fees and legal expenses incurred by Mortgagee. Mortgagor agrees that, without the written consent of Mortgagee, it will not remove or permit to be removed from the Real Property any of the Collateral except that, so long as no Event of Default has occurred and is continuing, Mortgagor shall be permitted to sell or otherwise dispose of the Collateral when obsolete, worn out, inadequate, unserviceable or unnecessary for use in the operation of the Mortgaged Property, upon replacing the same or substituting for the same other property at least equal in value and utility to the initial value and utility of that disposed of and in such manner so that said Collateral shall be subject to the security interest created hereto, it being expressly understood and agreed that all replacements of the Collateral and any additions to the Collateral shall be and become immediately subject to the security interest of this Mortgage. Mortgagor shall, from time to time, on request of Mortgagee deliver to Mortgagee an inventory of the Collateral in reasonable detail which is in form and substance acceptable to Lender. Mortgagor covenants and represents that all Collateral now is, and that all replacements thereof, substitutions therefore or additions thereto, unless Mortgagee otherwise consents in writing, will be free and clear of Liens (as defined in the Loan Agreement) of others, except for the Permitted Encumbrances. For the purpose of this paragraph 12, Mortgagor is the debtor, and Mortgagee is the secured party.

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13. **Prohibition of Leasing and Contracting of Management, Assignment of Rents and Leases.**

(a) As set forth in paragraph 23 hereof, without the prior written consent of Mortgagee, Mortgagor shall not lease all or substantially all of the premises, nor shall the Mortgagor contract for the management, other than construction management, of all or any portion of the Mortgaged Property, without the prior written consent of the Mortgagee, which consent shall be within the sole discretion of the Mortgagee.

(b) In the event any portion of the Mortgage Property is leased, Mortgagor hereby absolutely and unconditionally assigns and transfers to Mortgagee, (i) all right, title and interest of Mortgagor in and under all leases, lettings, tenancies and licenses of the Mortgaged Property or any part thereof now or hereafter entered into and all amendments, extensions, renewals and guaranties thereof, all security therefor, and all moneys payable thereunder (collectively, the "**Leases**") and (ii) all rents, income, accounts, receivables, issues, profits, security deposits and other benefits to which Mortgagor may now or hereafter be entitled from the Mortgaged Property or in connection with the Leases (collectively, the "**Property Income**").

(c) With respect to the Leases from time to time or at any time existing, Mortgagor shall (i) appear in and defend any action or proceeding arising under, occurring out of, or in any manner connected with, the Leases, (ii) not receive or collect any Property Income from any of the Leases for a period of more than one (1) month in advance, (iii) not waive, discount, set-off, compromise, or in any manner release or discharge any lessee, of and from any obligations, covenants, conditions and agreements by such lessee under its Lease, (iv) not terminate or consent to any surrender of any Lease, or modify or in any way alter the terms thereof, without the prior written consent of Mortgagee, and shall use all reasonable efforts to maintain each of the Leases in full force and effect during the term of this Mortgage, (v) not subordinate any Lease to any mortgage or other encumbrance (other than the lien of this Mortgage), and (vi) shall (A) obtain Mortgagee's approval as to the form and substance of each Lease or amendment thereto, (which lease forms shall include provisions proving for tenant's delivery of estoppel certificates and subordination and attornment agreements as appropriate), (B) deliver to Mortgagee, true and complete copies of the Leases and any amendments thereto, (C) not enter into any oral leases or any side agreements with respect to a Lease with any lessee, except upon notice to and approval in writing by Mortgagee, (D) not execute any Lease except for actual occupancy by the lessee thereunder, (E) not otherwise assign, transfer or encumber Leases (or any interest therein) in any manner; and (F) from time to time upon request of Mortgagee, furnish to Mortgagee tenant estoppel certificates and a written certification signed by Mortgagor describing all then existing Leases and the names of the tenants and Property Income payable thereunder.

(d) Mortgagee shall not be liable for any loss sustained by Mortgagor resulting from Mortgagee's failure to let the Mortgaged Property, or any part thereof, after an Event of Default or from any other act or omission of Mortgagee in managing the Mortgaged Property, or any part thereof. Mortgagee shall not be obligated to perform or

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discharge, any obligation, duty or liability under the Leases and Mortgagor shall indemnify Mortgagee for, and hold Mortgagee harmless from, any and all liability, loss or damage which may or might be incurred under the Leases, and from any and all claims and demands whatsoever which may be asserted against Mortgagee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases. Should Mortgagee incur any such liability under the Leases or in defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees shall be secured hereby and Mortgagor shall reimburse Mortgagee therefor immediately upon demand, and upon the failure of Mortgagor to do so Mortgagee may, at its option, declare the Secured Indebtedness immediately due and payable. It is further understood that the assignment herein shall not operate to place responsibility upon Mortgagee for the control, care, management or repair of the Mortgaged Property, nor shall it operate to make Mortgagee responsible or liable for any waste committed on the Mortgaged Property by any person, or for any dangerous or defective condition on the Mortgaged Property, or for any negligence in the management, upkeep, repair or control of the Mortgaged Property resulting in loss or injury or death to any lessee, licensee, employee or other person.

(e) Mortgagor shall not otherwise assign, transfer or encumber in any manner the Leases or the Property Income or any portion thereof. Mortgagor shall have a license to collect and use the Property Income as the same becomes due and payable, revocable by Mortgagee, upon the occurrence of an Event of Default. This assignment shall constitute an absolute and present assignment of the Leases and the Property Income, and not an additional assignment for security, and the existence or exercise of the Mortgagor's revocable license to collect Property Income shall not operate to subordinate this assignment to any interest of the Mortgagor or to any subsequent assignment. In the event of any future Lease, Mortgagor may at its election require Mortgagor's assignment of the Leases and Property Income hereunder to be further evidenced and governed by a separate Assignment of Contracts, Leases, Rents and Profits.

(f) Upon the occurrence of an Event of Default under this Mortgage or any other Loan Document, Mortgagee may exercise any and all rights and remedies contained in this Mortgage and/or the other Loan Documents, and Mortgagee, without in any manner waiving such default, may at its sole option (i) with or without taking possession and without prior notice to the Mortgagor, make demand for payment of all Property Income; (ii) without notice, either in person, by agent or by a receiver appointed by the court, enforce the assignment evidenced by this Mortgage and take possession of the Mortgaged Property and have, hold, manage, lease and operate the same on such terms and for such period of time as Mortgagee may deem proper, and, either with or without taking possession of said Mortgaged Property in its own name, and (iii) to dispossess by summary proceedings any tenant defaulting in the payment of Property Income to Mortgagee, and (iv) to rent or lease the Mortgaged Property or any part thereof including renewals of Leases, and (v) make demand directly to tenants in occupancy or to Mortgagor or any other Obligor, or to all of them, at Mortgagee's sole election, or sue for or otherwise directly collect and receive all Property Income of said Mortgaged Property directly from tenants in occupancy, including those past due and unpaid, with full power

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to make from time to time all alterations, renovations, repairs thereto or replacements thereof as may seem proper to Mortgagee, and to apply such Property Income to the payment of (A) expenses of managing the Mortgaged Property, including, but not limited to, the salaries, fees and wages of a managing agent and such other employees as Mortgagee may deem necessary or desirable and all expenses of operating and maintaining the Mortgaged Property, including, but not limited to, all taxes, charges, claims, assessments, water rents, sewer rents and any other liens and premiums for insurance which Mortgagee may deem necessary or desirable, and the cost of all alterations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of the Mortgaged Property which Mortgagee may deem necessary or desirable, and (B) the Obligations, together with all costs, attorneys' and paralegals' fees, in such order of priority as Mortgagee in its sole discretion may determine, notwithstanding any statute, law, custom or usage to the contrary. Nothing contained herein shall impair or affect any right or remedy which Mortgagee might now or hereafter have, but the remedies provided herein shall be in addition to any others which Mortgagee may have hereunder or under Alabama law. Exercise by Mortgagee of the options granted by this Mortgage and this section, the collection of Property Income, and the application thereof as herein provided, shall not be considered a waiver of any default by Mortgagor or any other Obligor hereunder or under the Loan Documents.

14. **Assignment of Property in Mortgagee's Possession**. As additional security for the performance and payment of all of the Obligations, Mortgagor pledges, transfers, assigns and delivers to the Mortgagee any and all property of the Mortgagor, of every kind and description, now or hereafter in the possession, custody or control of or in transit to or from the Mortgagee, for safekeeping or otherwise (all remittances and property to be deemed in the possession, custody or control of the Mortgagee as soon as put in transit to it by mail or carrier), and the Mortgagee is hereby given a lien for the amount of the Obligations, whether or not such liability and indebtedness are due and payable, upon, and a right of set-off against, all property of every kind, whether tangible or intangible, including without limitation any balances, credits, deposits, accounts, monies, collections, drafts, bills and securities, now or hereafter in the possession, custody or control of the Mortgagee by or for the account of the Mortgagor or in which Mortgagor may have any interest; and the Mortgagee is hereby authorized and empowered at its option, without notice, to appropriate any and all of such property and apply any and all thereof and the proceeds thereof to the payment and extinguishment of the liability and indebtedness hereby secured at any time after such liability and indebtedness become payable. The Mortgagee is further hereby authorized and empowered at its option at any time after the Obligations become payable, to setoff against the obligations all such monies or to sell, assign and deliver any and all of such property at any time in the possession, custody or control of the Mortgagee for the Mortgagor or in which the Mortgagor has any interest, at public or private sale, for cash, credit or for future delivery, all at the option of the Mortgagee. Upon any sales at public auction, the Mortgagee may bid for and purchase the whole or any part of the property. In case of any sale by the Mortgagee of any such property on credit or for future delivery, such may be retained by the Mortgagee until the selling price is paid by the purchaser and the Mortgagee shall incur no liability in case of failure of the purchaser to pay therefor; in case of any such failure, any such property may be resold.

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15. **Events of Default.** Any one or more of the following shall constitute an "**Event of Default**" hereunder:

(a) the failure to pay when due (i) any payment of principal and/or interest on the Note or any other Obligation to Mortgagee, whether a regularly scheduled payment, at maturity or by acceleration; (ii) any taxes or assessments on the Mortgaged Property; or (iii) any insurance premiums required to keep the insurance coverage required by this Mortgage or any other Loan Document in full force and effect at any time; or (iv) any other monetary sum required to be paid pursuant to the terms hereof or of any other Loan Document.

(b) a default which is not otherwise the subject of any other provision of this section shall occur in the performance of any of the covenants or agreements contained in the Note, this Mortgage, or any other Loan Document and such default is not capable of being cured, or if capable of being cured shall continue uncured to the reasonable satisfaction of Mortgagee for a period of thirty (30) days after written notice thereof from Mortgagee to Mortgagor, or such other lesser or greater period of time, if any, with or without notice as specifically set forth in the applicable document or instrument;

(c) if any representation or warranty of Mortgagor, Borrower (if different from the Mortgagor), or any Guarantor Mortgagor together with any Borrower and Guarantors are hereinafter referred to interchangeably as "Obligor") made in this Mortgage, the other Loan Documents, any endorsement, or in any certificate or statement furnished at any time thereunder or in connection therewith proves to be untrue or misleading in any material respect when made or furnished;

(d) the occurrence of a default that remains uncured within the applicable grace or curative period, if any, under any other obligation, liability or indebtedness of any Obligor to any other party that, in the opinion of Mortgagee, causes a material adverse change in the financial condition of such Obligor or the Mortgagor;

(e) the commencement of a proceeding by or against any Obligor for dissolution or liquidation, the voluntary or involuntary termination or dissolution of any Obligor or the merger or consolidation of any Obligor with or into another entity;

(f) the insolvency of, the business failure of, the appointment of a custodian, trustee, liquidator or receiver for or for any of the property of, the assignment for the benefit of creditors by, or the filing of a petition under bankruptcy, insolvency or debtor's relief law or the filing of a petition for any adjustment of indebtedness, composition or extension by or against any Obligor or affecting the Mortgaged Property, and in the case of an involuntary bankruptcy or insolvency proceeding only, the same is not dismissed within sixty (60) days of the date of filing thereof;

(g) the death or legal incapacity of any Obligor who is a natural person, ***unless, however,*** in the case of a guarantor only, within sixty (60) days from the date of death or incapacity of such Obligor (or such earlier date by which Mortgagee would be barred from asserting a claim under the Note or such Obligor's guaranty in any probate

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proceeding as to such deceased Obligor or such Obligor's estate), a substitute guarantor or guarantors having a reputation, financial standing, liquid assets, net worth and income satisfactory to, and approved in writing by, Mortgagee, in its sole and absolute discretion, shall have (1) executed and delivered to Mortgagee a written guaranty agreement or agreements in form and substance as then required by Mortgagee and (2) paid all costs, including without limitation Mortgagee's attorneys' fees, incurred by Mortgagee in the preparation of such substitute guaranty agreement or agreements;

(h) the failure of any Obligor to timely deliver financial statements, including tax returns, other statements of condition or other information, as required herein or by the Loan Documents or as Mortgagee shall request from time to time;

(i) the entry of a judgment against any Obligor which Mortgagee deems to be of a material nature, in Mortgagee's sole discretion, which is not satisfied or bonded on appeal within thirty (30) days of the entry thereof;

(j) the seizure or forfeiture of, or the issuance of any writ of possession, levy, garnishment or attachment, or any turnover order for any property of any Obligor, including without limitation the Mortgaged Property;

(k) should Mortgagee's liens, mortgages or security interests, including without limitation this Mortgage, in any of the collateral for the Obligations, including without limitation the Mortgaged Property, become unenforceable, or cease to be first priority liens, mortgages or security interests;

(l) should any additional liens be granted upon the Mortgaged Property, or should a default occur under the terms of any agreement, declaration, indenture, mortgage or other security instrument that results in the creation of a lien or other security interest in the Mortgaged Property, whether such lien or security interest is superior or inferior in priority to this Mortgage;

(m) the determination by Mortgagee that a material adverse change has occurred in the financial condition of any Obligor;

(n) the failure of Mortgagor business to comply with any law or regulation controlling its business operation or any part of the Mortgaged Property; or

(o) condemnation or taking by eminent domain of all or any material part (as determined by Mortgagee in its sole discretion) of the Mortgaged Property.

16. **Remedies After Default.** Upon the occurrence and continuation of an Event of Default, and subsequent to the expiration of any applicable cure period, if any, Mortgagee may with or without notice accelerate the indebtedness due to Mortgagee under the Note and at Mortgagee's election any other Obligation and proceed to: (a) file suit seeking collection of the Note or the performance of any term hereof or of any other Obligation; (b) foreclose this Mortgage and sell the Mortgaged Property in its entirety or at the election of Mortgagee in its

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sole discretion, in separate lots or parcels; (c) collect the Property Income, all rents, issues, profits, revenue, income and other benefits from the Mortgaged Property; (d)seek appointment of a receiver to enter upon and take possession of the Mortgaged Property, to collect the Property Income, all rents, issues, profits, revenue, income, and other benefits thereof and apply the same as a court may direct, which receiver shall have all rights and powers permitted under law, and such appointment shall be made by such court as a matter of strict right to the Mortgagee and without reference to the adequacy or inadequacy of the value of the Mortgaged Property, or to the solvency or insolvency of the Mortgagor, and such receiver may remain in possession of the Mortgaged Property until the time of the sale thereof by foreclosure; (e) sell all or part of the Mortgaged Property at public outcry, in front of the courthouse door of the county wherein the real estate is located, to the highest bidder for cash, either in person or by auctioneer, after first giving notice of the time, place, and terms of such sale by publication once a week for three (3) consecutive weeks in a newspaper published in said county and, upon the payment of the purchase money, the Mortgagee or any person conducting said sale for it is authorized and empowered to execute to the purchaser at said sale a deed, bills of sale or assignments to the Mortgaged Property as applicable. The Mortgagee, or the then holder of the Obligations, may bid at such sale and become the purchaser of the Mortgaged Property if the highest bidder thereof. The proceeds of any such sale shall be applied: (i) first to the expenses incurred in making the sale and in all prior efforts to effect collection of the Obligations or to enforce or protect the interest of the Mortgagee, including a reasonable attorney's fee, as permitted by law for such services as may be, or have been, necessary in any one or more of the foreclosures of this Mortgage, the collection of said Obligations, and the pursuit of any efforts theretofore directed to that end, including, but not limited to, the defense of any proceedings instituted by the Mortgagor or anyone liable for said Obligations or interested in the Mortgaged Property to prevent or delay, by any means, the exercise of said power of sale and the foreclosure of this Mortgage; (ii) then to any other expenses or fees owed under the Loan Documents; (iii) then to the payment of Protective Advances and whatever advances or sums Mortgagee may have paid out or become liable to pay, in carrying out the provisions of this Mortgage, together with interest thereon; (iv) then to the payment and satisfaction of accrued interest on the Note to the day of sale; (v) then to the payment of the principal indebtedness outstanding on the Note, in such order as Mortgagee may elect; (v) then to any other Obligations secured by this Mortgage in such order and amounts as Mortgagee may elect in its sole discretion; and (vi) the balance, if any, shall be paid over to that entity or entities which may be lawfully entitled to receive the same, including the Mortgagor, or the Mortgagor's successors or assigns. In any event, the purchaser under any foreclosure sale, as provided herein, shall be under no obligation to see to the proper application of the purchase money; and (f) pursue any other remedy available to it hereunder at law or in equity.

Without limiting the generality of the foregoing, if at any time while there is an uncured Event of Default, the Mortgaged Property shall be abandoned, vacated or left unattended, the Mortgagee, if in its discretion such steps are necessary for the protection of the Mortgaged Property, shall have the right, power and authority at its option to enter upon the Mortgaged Property and to secure same by changing locks thereon, to paint and repair such premises, complete construction of any improvements and to place signs thereon notifying that it has taken possession of the Mortgaged Property, and it may also lease the Mortgaged Property and place signs thereon offering to sell the Mortgaged Property subject to its acquisition of title thereto by

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foreclosure proceedings or otherwise; and any such action by the Mortgagee as described above shall not be deemed to be a trespass or trespasses or unlawful detainer upon such Mortgaged Property. Subsequent to conclusion of any foreclosure sale, in the event Mortgagor maintains possession of the Mortgaged Property, Mortgagor shall be deemed a tenant at will.

17. **No Waiver; No Release.** No delay or omission of Mortgagee or of any holder of the Note to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to waive any Event of Default or to constitute acquiescence therein No extension of time or modification of the terms of the Note or this Mortgage, and no release of any part or parts of the Mortgaged Property shall, without the consent of the Mortgagee, release, relieve, or discharge the Mortgagor from the payment of any of the sums hereby secured, but in such event the Mortgagor shall nevertheless be liable to pay such sums according to the terms of such extension or modifications unless specifically released and discharged in writing by the Mortgagee; further, acceptance of part payment of any installment of principal or interest, or both, or of part performance of any covenant or delay for any period of time in exercising the option to mature the entire debt, shall not operate as a waiver of the right to exercise such option or act upon such Event of Default, partial acceptance or any subsequent Event of Default.

18. **Non-Exclusive Remedies.** No right, power or remedy conferred upon or reserved to Mortgagee by the Note, this Mortgage or any other instrument securing the Note is 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, the Loan Documents, now or hereafter existing at law or in equity.

19. **Successors and Assigns Bound.** Whenever one of the parties hereto is named or referred to herein, the heirs, administrators, legal representatives, successors and assigns of such party shall be included and all covenants and agreements contained in this Mortgage, by or on behalf of Mortgagor or Mortgagee, shall bind and inure to the benefits of their respective heirs, successors and assigns, whether or not so expressed.

20. **Severability.** In the event that any of the covenants, agreements, terms or provisions contained in the Note, this Mortgage or any other instrument securing the Note 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 and any other instrument securing the Note shall be in no way affected, prejudiced or disturbed thereby.

21. **Attorneys' Fees.** The term "attorneys' fees" as used in this Mortgage includes any and all reasonable legal fees of whatever nature including, but not limited to, fees resulting from: (i) any litigation, bankruptcy, appeal of an interlocutory order or final judgment or any other appellate proceeding arising out of any litigation relating to the Mortgaged Property, or any of the Obligations; (ii) any negotiations related to the Obligations or restructuring of any Obligation; or (iii) incurred by Mortgagee to protect or assert its interests in the Mortgaged Property or collect any of the Obligations.

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22. **Future Advances.** Mortgagee may, at the option of the Mortgagee, and in its sole discretion, elect from time to time to make future advances of principal hereunder to the Mortgagor which future advances may be evidenced by separate note or modification of an existing note secured hereby, and all such future advances of principal shall be secured by this Mortgage; provided, however, that the total principal sum secured hereby and remaining unpaid, including any such advances, shall not at any time exceed an amount equal to ONE HUNDRED AND FIFTY PERCENT OF THE STATED AMOUNT OF THIS MORTGAGE. All such future advances shall be made within the time limit authorized by Alabama law for making valid future advances with interest, and all indebtedness created by virtue of such future advances shall be and are secured hereby and have priority equal to and on parity with the original principal sums advanced hereunder. All provisions of this Mortgage shall apply to any future advances made pursuant to the provisions of this paragraph as though such advances had been made simultaneously with the execution hereof. Nothing herein contained shall limit the amount secured by this Mortgage if such amount is increased by Protective Advances made by the Mortgagee as herein elsewhere provided and authorized for the protection of the security of the Mortgage. Nothing contained herein shall be deemed an obligation on the part of the Mortgagee to make any future advances of principal or costs. In the event mortgagee commits to make future advances of principal, Mortgagor agrees to pay Mortgage tax and title insurance premiums for the full amount of the commitment regardless of whether they are ever fully advanced.

23. **No Transfer.** It is understood and agreed by Mortgagor that as part of the inducement to Mortgagee to make the loan evidenced by the Note, Mortgagee has considered and relied on the credit worthiness and reliability of Mortgagor. Mortgagor covenants and agrees, other than in accordance with the terms of the Loan Documents, not to sell, assign, convey, transfer, or further encumber any interest in or any part of the Mortgaged Property without the prior written consent of Mortgagee, which consent shall be at Mortgagee's sole discretion and may be subject to the payment of a transfer fee or a change in loan charges and payment terms, and any such sale, conveyance, transfer, lease or encumbrance made without Mortgagee's prior written consent shall be void. If any person should obtain an interest in all or any part of the Mortgaged Property pursuant to the execution or enforcement of any lien, security interest or other right, whether superior, equal or subordinate to this Mortgage or the lien hereof, such event shall be deemed to be a transfer by Mortgagor and an event of default hereunder.

24. **Time is of the Essence.** Time is of the essence in the performance of Mortgagor's Obligations hereunder.

25. **Subrogation**. To the extent of the indebtedness of Mortgagor to Mortgagee, Mortgagee is subrogated to the lien or liens and to the rights of any of the owners and holders of each and every mortgage, lien or other encumbrance on the Mortgaged Property which is paid and/or satisfied, in whole or in part, out of the proceeds of the principal amount of the Note.

26. **Changes to Mortgage.** Any handwritten changes, alterations, deletions or additions to the substance of any paragraph in this Mortgage which have been agreed to between Mortgagor and Mortgagee shall have been initialed by both parties as proof of each party's consent in order for such changes to be enforceable.

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27. **Governing Law; Jurisdiction; Venue.** This Mortgage shall be governed and controlled by Alabama law. Mortgagor hereby irrevocably submits and consents to the exclusive personal jurisdiction and venue of the state or federal court in Alabama located in the same state judicial district or federal judicial district as the office of Secured Party specified in the first paragraph of this Mortgage. Mortgagor agrees that all actions or proceedings arising directly, indirectly, or otherwise, in connection with, or related in any way to, this Mortgage, shall be litigated only in one of the foregoing described courts. Mortgagor, for itself, its heirs, successors and its assigns, and for any person claiming under or through any of them, hereby knowingly and voluntarily waives any and all rights to contest jurisdiction or venue as set forth above, and Mortgagor hereby knowingly and voluntarily waives any and all rights to remove an action to, or to transfer, dismiss, or change venue to, any other court. Mortgagor further acknowledges and agrees that neither Mortgagee nor any person acting on behalf of Mortgagee has in any way represented to Mortgagor that the provisions of this paragraph have been waived or will not be fully enforced by Mortgagee. This provision does not prohibit Secured Party from enforcing its rights under this Mortgage in the courts of the state and county where the Mortgaged Property is located.

28. **Notices.** Whenever this Mortgage requires or permits any consent, approval, notice, request, or demand from one party to another, the consent, approval, notice, request, or demand must be in writing to be effective and shall be deemed to have been given when personally delivered or deposited in the United States mails, registered or certified, return receipt requested, addressed to the party to be notified at the address set forth in the preamble hereof (or at such other address as may have been designated by written notice). The inclusion of this section shall not be deemed to require any notice or demand that has been specifically waived in the Note or any other Loan Document.

29. **Collateral Proceedings**. If any action or proceeding shall be commenced by any person other than Mortgagee (except an action to foreclose this Mortgage, or to collect the indebtedness secured thereby) to which action or proceeding Mortgagee is made a party, or in which it shall become necessary to defend or uphold the lien of this Mortgage, all reasonable sums paid by Mortgagee for the expense of any such litigation (including reasonable attorneys' fees through all trial and appellate levels) shall be paid by Mortgagor, together with interest thereon at the interest rate under the Note, upon demand by Mortgagee, and any such sum, and the interest thereon, shall be a claim upon the Mortgaged Property and shall be deemed to be secured by this Mortgage. Mortgagor shall have the right to appoint such counsel for Mortgagee, provided such counsel shall be acceptable to Mortgagee, in its sole discretion.

30. **Indemnification.** Mortgagor agrees to, protect, indemnify, defend and hold Mortgagee and its directors, officers, agents, employees and attorneys harmless from and against any and all liability, loss, expense or damage of any kind or nature, including, without limitation, any liability or loss that may arise by reason of an incorrect legal description of the land, and from any suits, proceedings, claims, demands, or damages (including attorneys' fees and expenses paid or incurred in connection therewith) arising out of any matter, action, or inaction of Mortgagee in connection with the Note, this Mortgage, or other Loan Documents. This indemnification shall survive the full payment and performance of the obligations. This indemnification shall not apply to any intentional torts of Mortgagee or to the failure of

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Mortgagee to perform its obligations under the Note, this Mortgage or any of the other Loan Documents.

31. **Construction or Acquisition Financing**. In the event proceeds of the Note were utilized or shall be utilized, in whole or in part, to finance or refinance Mortgagor's acquisition of the Real Property or the construction of improvements on the Real Property, then in such event, this Mortgage and the lien hereof, shall be entitled to the priority established by Section 7-9A-334 (h) of the Alabama Code.

32. **Environmental Matters**.

(a) Mortgagor represents and warrants to Mortgagee as follows: (i) neither the Mortgaged Property nor the Mortgagor is in violation of or subject to any existing, pending or threatened investigation by any governmental authority under any Environmental Law; (ii) Mortgagor has not and is not required by any Environmental Law to obtain any permits or license to construct or use any improvements, fixtures or equipment forming a part of the Mortgaged Property; (iii) Mortgagor has made diligent inquiry into previous uses and ownership of the Mortgaged Property, and has determined that no Hazardous Substance has been disposed of or released on or to the Mortgaged Property; (iv) Mortgagor's prior, current and intended future use of the Mortgaged Property will not result in the disposal or release of any Hazardous Substance on or to the Mortgaged Property except as permitted by applicable law.

(b) Mortgagor shall not use, generate, manufacture, store, release, discharge, or dispose of on, under, or about the Mortgaged Property or transport to or from the Mortgaged Property any Hazardous Substance or allow any other person or entity to do so except under conditions permitted by applicable laws (including all Environmental Laws). Mortgagor shall keep and maintain the Mortgaged Property in compliance with, and shall not cause or permit the Mortgaged Property to be in violation of, any Environmental Law. Mortgagor shall give prompt written notice to Mortgagee of: (i) any proceeding or inquiry by any governmental authority with respect to the presence of any Hazardous Substance on the Mortgaged Property or the migration thereof from or to other property; (ii) all claims made or threatened by any third party against Mortgagor or the Mortgaged Property relating to any loss or injury resulting from any Hazardous Substance; and (iii) Mortgagor's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Mortgaged Property that could cause the Mortgaged Property or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Mortgaged Property under any Environmental Law, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Mortgaged Property under any Environmental Law. Mortgagor shall provide to Mortgagee copies, contemporaneously with filing same, of all reports, inventories, notices or other forms filed or submitted to the Environmental Protection Agency, or any state or local agency having responsibility for overseeing or enforcing any Environmental Laws. In the event that any investigation, site monitoring, containment, cleanup, removal, restoration or other remedial work of any kind or nature (the "**Remedial Work**") is reasonably necessary under any applicable local, state or

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federal law or regulation, any judicial order, or by any governmental entity because of, or in connection with, the current or future presence or release of a Hazardous Substance, Mortgagor shall within such period of time as may be required under any applicable law, regulation, order or agreement, commence and thereafter diligently prosecute to completion, all such Remedial Work. All Remedial Work shall be performed by competent contractors. All costs and expenses of such Remedial Work shall be paid by Mortgagor including, but not limited to, Mortgagee's reasonable attorneys' fees and costs incurred in connection with review of such Remedial Work. In the event Mortgagor shall fail to diligently prosecute to completion such Remedial Work, Mortgagee may, but shall not be required to, cause such Remedial Work to be performed and all costs and expenses thereof, or incurred in connection therewith, shall become part of the Secured Indebtedness.

(c) Mortgagor shall protect, indemnify and hold harmless Mortgagee, its directors, officers, employees, agents, successors and assigns from and against any and all loss, damage, cost, expense or liability (including attorneys' fees and costs) directly or indirectly arising out of or attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, or presence of a Hazardous Substance on, under or about the Mortgaged Property whether known or unknown, fixed or contingent, occurring prior to the termination of this Mortgage, including, but not limited to: (i) all foreseeable consequential damages; and (ii) the costs of any required or necessary repair, cleanup or detoxification of the Mortgaged Property and the preparation and implementation of any closure, remedial or other required plans. This indemnity shall survive the release of the lien of this Mortgage, or the extinguishment of the lien by foreclosure or action in lieu thereof, and this covenant shall survive such release or extinguishment. These covenants and requirements shall be in addition to, and not in substitution of, any other covenants and requirements under any separate environmental indemnification executed in favor of Mortgagee in connection with the transactions evidenced by this Mortgage.

33. **JURY WAIVER.** ALL OF THE PARTIES HERETO KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHTS EITHER MAY HAVE TO TRIAL BY JURY IN ANY LEGAL PROCEEDING BASED ON, ARISING OUT OF, OR IN ANY WAY RELATED TO: THIS AGREEMENT, THE OBLIGATIONS, ANY NOTES, LOAN AGREEMENTS, OR ANY OTHER LOAN DOCUMENT OR AGREEMENT EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONNECTION WITH ANY OF THE OBLIGATIONS; OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THIS JURY WAIVER ALSO APPLIES TO ANY CLAIM, COUNTERCLAIM, CAUSE OF ACTION OR DEMAND ARISING FROM OR RELATED TO (I) ANY COURSE OF CONDUCT, COURSE OF DEALING, OR RELATIONSHIP OF MORTGAGOR, ANY OBLIGOR, OR ANY OTHER PERSON WITH MORTGAGEE OR ANY EMPLOYEE, OFFICER, DIRECTOR OR ASSIGNEE OF MORTGAGEE IN CONNECTION WITH THE OBLIGATIONS; OR (II) ANY STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PERSON BY OR ON BEHALF OF LENDER TO MORTGAGOR, ANY OBLIGOR, OR ANY OTHER PERSON IN

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CONNECTION WITH THE OBLIGATIONS, REGARDLESS OF WHETHER SUCH CAUSE OF ACTION OR DEMAND ARISES BY CONTRACT, TORT OR OTHERWISE. BORROWER HEREBY ACKNOWLEDGES THAT THIS WAIVER OF JURY TRIAL IS A MATERIAL INDUCEMENT TO THE MORTGAGEE IN EXTENDING CREDIT TO THE MORTGAGOR, THAT THE MORTGAGEE WOULD NOT HAVE EXTENDED SUCH CREDIT WITHOUT THIS JURY TRIAL WAIVER, AND THAT MORTGAGOR HAS BEEN REPRESENTED BY AN ATTORNEY OR HAS HAD AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY IN CONNECTION WITH THIS JURY TRIAL WAIVER AND UNDERSTANDS THE LEGAL EFFECT OF THIS WAIVER. MORTGAGOR FURTHER CERTIFIES THAT NO PERSON HAS REPRESENTED TO IT, EXPRESSLY OR OTHERWISE, THAT MORTGAGEE OR ANY OTHER PERSON WOULD NOT, IN THE EVENT OF A LEGAL PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER.

IN WITNESS WHEREOF, this instrument has been executed on this the 16th day of September, 2019.

MORTGAGOR:

LCAA, LLC,
a Florida limited liability company

By: _____
Name: Leonard Braxton Siers
As Its: Authorized Member

STATE OF FLORIDA)
COUNTY OF OKALOOSA)

I certify that before me appeared this day **Leonard Braxton Siers**, a person known to me, who after being sworn stated he as an Authorized Member of **LCAA, LLC**, a Florida limited liability company, that he is duly authorized to act on behalf of said Company, and being informed of the contents thereof, acknowledged execution of the foregoing instrument on behalf of said Company.

Witness my hand and official seal, this 16th day of September, 2019.

Notary Seal:

KAREN A. FOLLMER
MY COMMISSION # FF 921993
EXPIRES: October 23, 2019
Bonded Thru Notary Public Underwriters

Karen A. Follmer
Notary Public

Karen A. Follmer
(Printed Name of Notary)
My Commission Expires:

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EXHIBIT "A"
(Legal Description)

Parcel I:

A parcel of land situated in the SE 1/4 of the SE 1/4 of Section 1, Township 20 South, Range 3 West, Shelby County, Alabama, more particularly described as follows:

Commence at the NE corner of said 1/4 - 1/4 Section and run thence South 0 degrees 00 minutes 00 seconds West (assumed) along the West line thereof 173.4 feet to the point of beginning of the property herein described; thence continue Eastwardly along last described course 115.0 feet; thence run North 71 degrees 56 minutes West 312.82 feet to a point on the Southeasterly right-of-way line of U. S. Highway No. 31; thence run North 27 degrees 21 minutes 30 seconds East along said right-of-way line 110.0 feet; thence run South 68 degrees 13 minutes East 23.0 feet; thence run South 72 degrees 29 minutes East 236.45 feet to the point of beginning.

Parcel II:

A parcel of land situated in the SE 1/4 of the SE 1/4 of Section 1, Township 20 South, Range 3 West, Shelby County, Alabama, more particularly described as follows:

Commence at the NE Corner of said 1/4 - 1/4 Section and run thence South (assumed) along the East line thereof 316.92 feet to the Point of Beginning of the property herein described, thence continue South along last described course 155.71 feet; thence run North 71 degrees 56 minutes West 390.23 feet to a point on the Southeasterly right-of-way line of U.S. Highway No. 31; thence run North 27 degrees 21 minutes 30 seconds East along said right-of-way line 150.0 feet; thence run South 71 degrees 56 minutes East 317.72 feet to the Point of Beginning.

Signed for the purposes of identification:

Mortgagor:

LCAA, LLC,
a Florida limited liability company

By: _____
Name: Leonard Braxton Siers
As Its: Authorized Member

Date: September 16, 2019

20190917000341620 21/22 $1747.60
Shelby Cnty Judge of Probate, AL
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EXHIBIT "B"
(Permitted Encumbrances)

Parcel I:

1. Taxes and assessments for the year 2019 and subsequent years, not yet due and payable.

2. Less and except any portion of subject property lying within a public/private road or road right of way.

Parcel II:

1. Taxes and assessments for the year 2019 and subsequent years, not yet due and payable.

2. Right of way to Alabama Power Company, recorded in Deed Book 101, Page 511 and Deed Book 171, Page 400, in the Probate Office of Shelby County, Alabama.

Signed for the purposes of identification:

Mortgagor:

LCAA, LLC,
a Florida limited liability company

By:_____
Name: Leonard Braxton Siers
As Its: Authorized Member

Date: September 16, 2019

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