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Shelby Cnty Judge of Probate, AL  
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This document was prepared by and return to:  
Robert D. Johnston, Jr.  
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**STATE OF ALABAMA**

**COUNTY OF SHELBY**

THIS MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT SERVES AS A FINANCING STATEMENT FILED AS A FIXTURE FILING, PURSUANT TO SECTION 7-9A-502(C), CODE OF ALABAMA 1975 AS AMENDED.

**MORTGAGE, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT,  
Fixture Filing and Financing Statement**

This is a purchase money mortgage.

This MORTGAGE, ASSIGNMENT OF LEASES, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT (this "Mortgage") dated effective as of May 15, 2023, is made by **PARADISE POINT MARINE GROUP, LLC**, an Alabama limited liability company, with an address at 231 Paradise Point Dr, Suite A, Columbiana, AL, 35051 (the "Mortgagor") in favor of **DONALD C. HORTON** with an address at 231 Paradise Point Drive, Columbiana, AL 35051 (the "Mortgagee").

**KNOW ALL MEN BY THESE PRESENTS:**

WHEREAS, the Mortgagor has become justly indebted to Mortgagee in the principal amount of One Million Seven Hundred Twenty Five Thousand and No/100s Dollars (\$1,725,000.00) (the "Loan"), as evidenced by one or more promissory notes (hereinafter, together with any and all extensions, revisions, modifications or amendments thereto at any time made, and together with any and all promissory notes at any time given in extension or renewal of, or in substitution or replacement for, such notes, collectively referred to as the "Note"), guarantees executed in connection herewith, or other documents delivered to and payable to Mortgagee with interest thereon in connection herewith, and payable as provided for in the Note (the Note, this Mortgage, and any and all other documents and instruments relating to the Loan, whether heretofore, simultaneously herewith or hereafter delivered, together with any and all extensions, revisions, modifications or amendments at any time made to any of the foregoing, hereinafter collectively referred to as the "Loan Documents");

WHEREAS, this Mortgage secures not only present indebtedness, but also future advances made pursuant to the Loan Agreement, whether such future advances are obligatory or are to be made at the option of Mortgagee or otherwise. The final maturity date of this Mortgage is May 15, 2033.



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WHEREAS, the Mortgagor has duly authorized the execution, delivery and performance of this Mortgage.

Any capitalized terms used in this Mortgage and not otherwise defined herein shall have the respective meanings ascribed to them in the Loan Agreement.

NOW, THEREFORE, in consideration of the premises and in order to secure the payment of all indebtedness under the Loan Documents, as such term is used and/or defined in the Note and other Loan Documents and whether such term is capitalized or not (including any future advances) and any renewal or extensions thereof and any other indebtedness now or hereafter owed by Mortgagor to Mortgagee, whether such indebtedness is primary or secondary, direct or indirect, contingent or absolute, matured or unmatured, joint or several, or otherwise secured or not (except a principal dwelling shall not secure any such other indebtedness incurred for personal, family, or household purposes unless a right of rescission has been given or the transaction is otherwise exempt from federal regulations applicable to consumer credit), to secure compliance with all of the covenants and stipulations hereinafter contained, and to secure the prompt performance of any and all other obligations of Mortgagor to Mortgagee, whether now existing or hereafter arising under or pursuant to any one or more of the Loan Documents (hereinafter collectively referred to as the "indebtedness"), **Mortgagor does hereby mortgage, grant, bargain, sell and convey unto Mortgagee the following described property (collectively, the "Mortgaged Property"):**

- (A) The real property described on Exhibit A attached hereto, together with all rights, privileges, easements, ground lines, tenements, interests, improvements and appurtenances thereunto belonging or in anywise appertaining thereto, including any after-acquired title and easements and all rights, title and interest now or hereafter owned by Mortgagor in and to all buildings, structures and improvements, and fixtures now or hereafter attached or appertaining to said premises, all of which shall be deemed to be real property and conveyed by this Mortgage (all of the foregoing real property, equipment, and fixtures being sometimes hereinafter called the "Premises");
- (B) All present and future rents, revenues, income and profits accruing from time to time from the use, possession, occupancy or lease of all or any part of the Premises and from Mortgagor's operation thereof (collectively, the "Rents"), and all present and future leases, any licenses, occupancy agreements or agreements to lease all or any part of the Premises and all extensions, renewals, amendments, and modifications thereof, and any options, rights of first refusal, or guarantees relating thereto of all or any part of the Premises ("Leases");
- (C) All other intangible property incidental or accessory to the Premises or its use (the "Intangibles"), including without limitation (i) the right to receive proceeds and awards from the sale, lease, insurance loss, claims for damages, or condemnation, expropriation or other taking of the Premises (the "Proceeds"); (ii) rights under service, maintenance, or warranty contracts relating to the Premises, (iii) all payments, proceeds, settlements or other compensation heretofore or hereafter made, including any interest thereon, and the right to receive the same, from any and all insurance policies covering the Mortgaged Property, and (iii) rights under trade names, patents, or copyrights that are subject to use in



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connection with the Premises or Mortgagor's business or other activities conducted thereon; and

(D) INTENTIONALLY LEFT BLANK

(E) All proceeds of any of the above described property.

TO HAVE AND TO HOLD the same and every part thereof unto Mortgagee, its successors and assigns forever.

This Mortgage is also a "security agreement" under the Uniform Commercial Code in effect in the State of Alabama (the "UCC"). Mortgagor grants, and Mortgagee shall have and may enforce, a security interest in all those property interests included in the Mortgaged Property for which a security interest may be granted under the UCC to secure payment and performance of the Indebtedness. Together with a security interest in (i) all personal property and fixtures now or hereafter acquired and affixed to or located on the property described in paragraphs (A), (B) and (C) hereof which, to the fullest extent permitted by law shall be deemed fixtures and a part of the real property, (ii) all articles of personal property now or hereafter acquired and all materials delivered to the property described in paragraphs (A), (B) and (C) hereof (including such property for use in any construction being conducted thereon) and owned or leased by Mortgagor, including, but not limited to, all equipment, furniture, furnishings, inventory, apparatus, machinery, motors, elevators, fittings, radiators, ranges, refrigerators, awnings, shades, screens, blinds, carpeting, office equipment and other furnishings and all plumbing, heating, lighting, cooking, laundry, ventilating, refrigerating, incinerating, air conditioning and sprinkler equipment and fixtures and appurtenances thereto, and all building materials and supplies of every kind now or hereafter placed or located on the land, and all renewals or replacements thereof or articles in substitution thereof, whether or not the same are or shall be attached to said Mortgaged Property in any manner, (iii) all leases of personal property, contract rights, general intangibles, actions and rights in action now or hereafter acquired pertaining to the Mortgaged Property, including all rights to insurance proceeds, and (iv) all proceeds, products, replacements, additions, substitutions renewals and accessions of any of the foregoing. Mortgagor (as Debtor) hereby grants to Mortgagee (as Secured Party) a security interest in all fixtures, rights in action and personal property described herein (the "Collateral"). Mortgagor irrevocably authorizes Mortgagee to prepare, execute and file all initial financing statements, and any restatements, extensions, continuations, renewals or amendments thereof, in such form as Mortgagee may require to perfect or continue the perfection of this security interest or other statutory liens held by Mortgagee. Such financing statement shall describe the Mortgaged Property and contain any other information required by the UCC for the sufficiency or filing office acceptance of any financing statement, continuation statement or amendment, including whether Mortgagor is an organization, the type of organization and any organization identification number issued to Mortgagor. Mortgagor agrees to pay all reasonable expenses incident to the preparation, execution, filing and/or recording of any of the foregoing. With respect to any of the Mortgaged Property in which a security interest is not perfected by the filing of a financing statement, Mortgagor consents and agrees to undertake, and to cooperate fully with Mortgagee, to perfect the security interest hereby granted to Mortgagee in the Mortgaged Property. Inasmuch as the parties intend that this Mortgage shall, among other things, constitute a financing statement, Mortgagor sets forth the following:

(1) The Debtor is PARADISE POINT MARINE GROUP, LLC, an Alabama limited liability company, with an address at 231 Paradise Point Dr, Suite A, Columbiana, AL, 35051 .

(2) The Secured Party is DONALD C. HORTON with an address at

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(3) The collateral includes Fixtures which are or shall be affixed to the Premises; and

(4) The record owner of the Premises is PARADISE POINT MARINE GROUP , LLC.

This Mortgage is also an absolute and unconditional assignment to Mortgagee of all Leases, whether now in existence or hereafter arising. Mortgagor hereby irrevocably, absolutely, presently and unconditionally assigns, transfers and sets over to Mortgagee all Leases and all rights of Mortgagor to enforce the Leases and collect the Rents. This assignment includes any award received or receivable by Mortgagor in any legal proceeding involving any tenant under a Lease whether under the Bankruptcy Code ("Bankruptcy Code" being defined as Title II of the United States Code entitled "Bankruptcy" as now or hereafter in effect, or any successor thereto or any other present or future bankruptcy or insolvency statute) or otherwise. This is an absolute assignment, not an assignment for security only.

Section 1. Warranties, Representations and Covenants. For the purpose of further securing the payment of all of the Indebtedness, Mortgagor represents, warrants, covenants and agrees with Mortgagee, its successors and assigns, as follows:

1.01 Mortgagor is lawfully seized in fee and possessed of the Mortgaged Property except as otherwise expressly stated herein, has a good right to convey the same as aforesaid, and will warrant and forever defend the title of Mortgagee to the Mortgaged Property against the lawful claims of all persons whomsoever, and is free and clear of all encumbrances, easements and restrictions, except as set forth on Exhibit B hereto.

1.02 The Mortgaged Property shall remain specially mortgaged, pledged, affected and hypothecated to, and subject to a security interest in favor of, Mortgagee until the full and final payment of the Indebtedness and cancellation of this Mortgage from the public records. Mortgagor shall not sell, transfer, mortgage, assign, pledge, alienate or create any security interest in the Mortgaged Property.

1.03 Mortgagor shall make all repairs, additions, and improvements necessary to maintain the Mortgaged Property in good condition and to prevent any impairment of the security of this Mortgage. If Mortgagor fails to maintain the Mortgaged Property in good condition, Mortgagee may, at its option, cause the Mortgaged Property to be maintained in good condition at Mortgagor's cost.

1.04 (a) Mortgagor shall keep (or cause to be kept) the Mortgaged Property constantly insured against risk of loss by fire, wind, storm, tornado, theft, and all such other hazards, casualties, and contingencies as may be deemed necessary by Mortgagee. The insurance



shall be in such amounts and shall be issued by such companies as are acceptable to Mortgagee. All policies of insurance shall be delivered to Mortgagee, shall contain a loss payable clause in favor of Mortgagee, and shall be in a form acceptable to Mortgagee. All renewal policies (or proof of payment of the premium therefor) shall be delivered to Mortgagee at least fifteen (15) days prior to the expiration date of the existing policy.

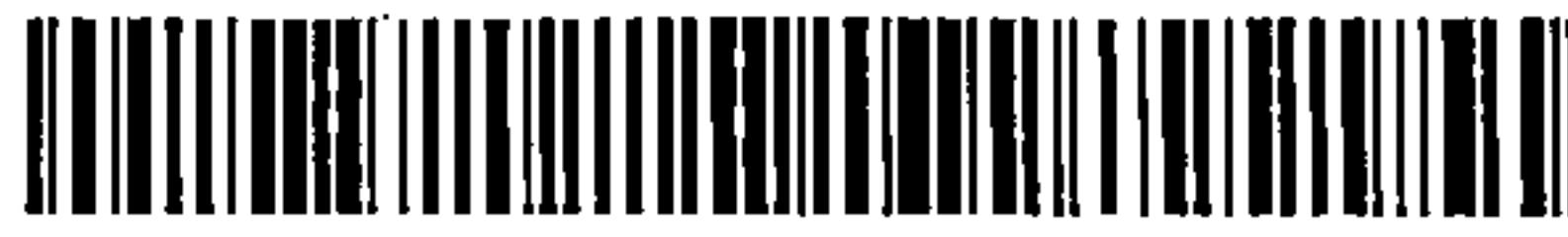
(b) The insurance policies required by this Mortgage shall provide that any loss payable to Mortgagee and Mortgagor, as their respective interests may appear, shall be payable to Mortgagee notwithstanding any act or omission of Mortgagor or of any other party, which would otherwise result in a forfeiture of such insurance, and that policies shall not be canceled even for nonpayment of premium or the coverage reduced without at least thirty (30) days prior written notice to Mortgagee.

(c) Mortgagor shall promptly notify Mortgagee of any insured loss. If Mortgagee receives any sum of money from any insurance policy affecting the Mortgaged Property, Mortgagee may, at its option and in such manner as it may determine, (i) retain the money and apply it toward the payment of any obligations secured by this Mortgage or by a security interest in the Note with Mortgagee having the right to impute the money among the obligations in any manner specified by Mortgagee, or (ii) pay all or part of the money, under such conditions as Mortgagee may determine, to Mortgagor to enable Mortgagor to repair or restore the Mortgaged Property or use the money for any other purpose satisfactory to Mortgagee, all without prejudice to, and without affecting the lien of, this mortgage.

1.05 Mortgagor shall pay promptly when due all taxes, local and special assessments, and governmental and utility charges (collectively, the "Taxes") imposed, assessed, or levied on all or any part of the Mortgaged Property, and Mortgagor shall furnish Mortgagee evidence of the payment of the Taxes. If Mortgagor for any reason does not pay promptly when due any of the Taxes, Mortgagee is hereby authorized to pay such unpaid Taxes with full subrogation to all rights of all authorities imposing such Taxes by reason of Mortgagee's payment, and Mortgagor shall promptly reimburse Mortgagee on demand for Taxes paid by Mortgagee.

1.06 Mortgagor shall pay promptly when due all of Mortgagor's obligations that might, if unpaid, result in or permit the creation of a lien or encumbrance on all or any part of the Mortgaged Property. Mortgagor shall do everything necessary to preserve the priority of this Mortgage without any expense to Mortgagee. Mortgagor shall notify Mortgagee immediately if any lien is filed against any part of the Mortgaged Property or if any part of the Mortgaged Property is seized, attached, or levied against. Mortgagor shall immediately obtain the release of the Mortgaged Property from any seizure, lien, or attachment, and if Mortgagor fails to do so, Mortgagee may, at its option, obtain the release of the Mortgaged Property at Mortgagor's expense.

1.07 (a) Mortgagor shall comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the Mortgaged Property, its use, construction, or maintenance, including, without limitation, all Environmental Laws. As used in this Mortgage, "Environmental Laws" shall mean any and all federal, state or local laws, rules, regulations, orders, permits, or ordinances involving the environment including, but without limitation, the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., the Comprehensive Environmental



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Response, Compensation and Liability Act, 42 U.S.C. §§ 9607 et seq., as amended by the Superfund Amendment and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (codified as amended in various sections of 42 U.S.C.), the Hazardous Materials Transportation Act, Pub. L. No. 93-633, 88 Stat. 2156 (codified as amended in various sections of 46 U.S.C.); the Clean Water Act, 33 U.S.C. §§ 1251 et seq., the Clean Air Act, 42 U.S.C. §§ 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq., as they now exist or may subsequently be modified, supplemented or amended. Mortgagor warrants that neither Mortgagor, any occupant of the Mortgaged Property, or the Mortgaged Property is in violation of or subject to any existing, pending, or threatened investigation or inquiry by any governmental authority or to any remedial obligations under any of the Environmental Laws.

(b) Mortgagor shall forever indemnify, defend and hold harmless Mortgagee, its directors, officers, employees and agents from and against all harms, including, without limitation, damages, punitive damages, liabilities, losses, demands, claims, costs recovery actions, lawsuits, administrative proceedings, orders, response costs, compliance costs, investigation expenses, consultant fees, attorney's fees and litigation expenses arising from (i) the operation of any of the Environmental Laws, and (ii) the violation by Mortgagor, any occupant of the Mortgaged Property, or the Mortgaged Property of any of the Environmental Laws. Mortgagor shall pay all costs and expenses incurred by Mortgagee to enforce the provisions of this paragraph, including, without limitation, attorney's fees and litigation expenses. The provisions of this paragraph shall survive the cancellation of this Mortgage and shall remain in full force and effect beyond the expiration of any applicable statute of limitations and payment or satisfaction in full of any single claim of Mortgagee within the scope of the provisions of this paragraph.

1.08 Mortgagor shall not remove any part of the Mortgaged Property from its present location without Mortgagee's prior written consent.

1.09 Mortgagor shall permit Mortgagee and its agents to have access to, and to inspect the Mortgaged Property at all reasonable times.

1.10 The pledge and assignment of and security interest in the Leases and Rents provided for herein shall secure all Indebtedness, all liabilities and obligations for which the Note has been given as security, and all other obligations of Mortgagor to Mortgagee, now existing or hereafter arising. Mortgagee shall have full subrogation to Mortgagor's rights to all Leases and Rents.

1.11 Mortgagor shall administer the Leases, Rents and Intangibles in a fiduciary capacity for the benefit of Mortgagee. Although this instrument creates a present pledge and assignment of and vested security right in the Leases and Rents, Mortgagor shall be entitled to collect the Rents and enforce all rights of the landlord under all Leases until the occurrence of a Default (as defined below) and Mortgagee sends written notice to Mortgagor at Mortgagor's address set forth above, whereupon Mortgagee shall have the right to receive and collect the Rents. All Proceeds shall be paid directly to Mortgagee. Mortgagor hereby irrevocably appoints Mortgagee its agent and attorney-in-fact (coupled with an interest), to demand, sue for, collect, receive, and receipt for the Rents and Proceeds, and to exercise all the rights and privileges of Mortgagor under any of the Leases or Intangibles affecting the Mortgaged Property, including



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without limitation, the right to fix or modify the amount of the Rents, to evict any lessee, tenant or occupant (the “Lessee”) from the Mortgaged Property, to relet such property and to do all such things as Mortgagee may deem necessary. Mortgagor hereby irrevocably consents that all Lessees of the Mortgaged Property shall be authorized to pay the Rents directly to Mortgagee without liability for the determination of the actual existence of any Default, the Lessees being hereby expressly relieved of any obligation to Mortgagor with respect to Rents paid to Mortgagee. All Rents and Proceeds collected under this Mortgage shall be applied, after payment of all costs and charges, as a credit against the Indebtedness. Mortgagee shall have no legal or contractual responsibility for the condition of the Mortgaged Property, for any obligation to perform leases affecting the Mortgaged Property, or for any dangerous or defective condition of the Mortgaged Property. Mortgagor indemnifies and shall defend the Mortgagee and its agents, employees, successors, and assigns (the “Indemnified Parties”) and to hold them harmless from any cost, expense, liability, loss, or damage, including, without limitation, reasonable attorney’s fees, which may or might be incurred by them by reason of the assignment of and security interest in the Rents, Leases and Intangibles. The obligation set forth herein to indemnify, defend, and hold the Indemnified Parties harmless shall be secured by this Mortgage.

1.12 If Mortgagor fails to perform any obligation under this Mortgage, then the Mortgagee may, at its option, perform such obligation, and the cost of such performance shall be reimbursable to Mortgagee upon demand and added to the amount secured by this Mortgage, provided that the maximum amount to be secured by this Mortgage shall not, at any one time, exceed five times the amount of the Note. Authorizations granted to the Mortgagee to pay or perform obligations on behalf of the Mortgagor, or to enforce or collect Leases, Rents and Proceeds, are solely for the benefit of Mortgagee, to be exercised in Mortgagee’s sole discretion, and shall be performed at the sole risk and expense of Mortgagor. Mortgagee shall have no liability to Mortgagor, or any other party, either directly or by set-off or compensation, for failure to perform such obligations or to enforce or collect Leases, Rents or Proceeds, or for performing in a manner that causes damage to the Mortgagor, except for any intentional acts of Mortgagee.

1.13 Mortgagor who is obligated to pay the Indebtedness shall well and truly pay and discharge such Indebtedness as it shall become due and payable, including any extensions, renewals or increase thereof, and any notes or obligations of such Mortgagor to Mortgagee, whether now or hereafter incurred.

1.14 Unless Mortgagee’s written consent has been obtained in advance, (a) Mortgagor will not cause or allow possession of the Mortgaged Property to remain in any other person or entity to the exclusion of Mortgagor, and (b) Mortgagor will not sell, assign, transfer, convey, lease or sublet all or any part of the Mortgaged Property or any oil, gas or mineral rights or other interest therein, excluding only (i) the creation of a lien or encumbrance expressly subordinate to this Mortgage, (ii) the creation of a purchase money security interest for household appliances, (iii) a transfer by devise, descent or by operation of law upon the death of a joint tenant. Mortgagee may condition its consent to any such transfer of possession of, or an interest in, the Mortgaged Property upon the obligor’s or transferee’s agreement to pay a greater rate of interest on all or any part of the Indebtedness or to adjust the payment schedule of all or any part of the Indebtedness, and upon Mortgagee’s approval of the creditworthiness of the transferee the transferee’s payment to Mortgagee of a reasonable transfer or assumption fee.



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1.15 All of the covenants and agreements of Mortgagor herein contained shall extend to and bind their respective heirs, executors, administrators, successors and assigns, and such covenants and agreements and all options, rights, privileges and powers herein given, granted or secured to Mortgagee shall inure to the benefit of Mortgagee and its successors and assigns. As used in this Mortgage, the term "Mortgagors" also means "Mortgagor, or any of them;" the singular includes the plural, and vice versa; and the use of one gender includes all other genders. The obligations of Mortgagor hereunder are joint and several. The provisions of this Mortgage and of the Note secured hereby are severable, and the invalidity or unenforceability of any provision of this Mortgage or of the Note shall not affect the validity or enforceability of the other provisions of this Mortgage or of the Note. The remedies provided to Mortgagee herein are cumulative with the rights and remedies of Mortgagee under any other agreement, at law and in equity, and such rights and remedies may be exercised concurrently or consecutively. Time is of the essence with respect to every covenant contained in this Mortgage. This Mortgage also constitutes a financing statement, and a carbon or photostatic copy of this Mortgage may be filed as a financing statement in any public office.

1.16 Mortgagor hereby affirms, warrants and represents that, to the best of its knowledge all of the warranties and representations made in the Loan Documents, inclusive, and any and all other documents or instruments referenced or recited herein or executed or in connection thereto, directly or indirectly, are true and correct as of the date hereof and that Mortgagor is not in default of any of the foregoing nor is it aware of any default with respect thereto, and that Mortgagor does not have any defense or right of offset with respect to any indebtedness to Mortgagee.

1.17 Mortgagor hereby waives, discharges and releases forever any and all existing claims, defenses and rights of set-off that Mortgagor may have against Mortgagee or which may affect the enforceability by Mortgagee of its security and its various rights and remedies under the Note and the Mortgage.

UPON CONDITION, HOWEVER, that if Mortgagor shall well and truly pay and discharge all the Indebtedness (including, without limitation, all extensions, renewals and increases of the original Indebtedness and all future advances) as the same shall become due and payable and shall in all things do and perform all acts and covenants by them herein agreed to be done or performed in strict accordance with the tenor and effect thereof, and if there is no outstanding commitment or agreement by Mortgagee to make advances, incur obligations or otherwise give value under any agreement, including, without limitation, agreements providing for future advances, open-end, revolving or other lines of credit, or letters of credit, then and in that event only this conveyance and the security interest herein granted shall be and become null and void (except the agreements of indemnity made in Section 1.07, above, which shall survive termination of this Mortgage).

## Section 2. Default; Remedies.

2.01 The occurrence of any one or more of the following events shall constitute a default (a "Default") under this Mortgage:



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Note;

- (a) failure to pay promptly any principal or interest due pursuant to the Note;
- (b) failure to pay promptly on demand any sums advanced by Mortgagee for the payment of insurance premiums, Taxes, the cost of maintaining the Mortgaged Property in good repair, or the cost of obtaining the release of the Mortgaged Property from any seizure, lien, or attachment;
- (c) failure by Mortgagor to observe or perform any of Mortgagor's covenants, agreements, and obligations under this Mortgage, and failure of Mortgagor to cure same within thirty (30) days after written notice from the Mortgagee;
- (d) the material inaccuracy of any warranty made by Mortgagor to Mortgagee in this Mortgage or otherwise;
- (e) a default in the payment or performance of any obligation secured by a security interest affecting the Note; and failure of Mortgagor to cure same within ten (10) days after written notice from Mortgagee;
- (f) the seizure, attachment or sequestration of any part of the Mortgaged Property;
- (g) the dissolution, liquidation or insolvency of Mortgagor;
- (h) the filing by or against Mortgagor of a proceeding under the U.S. Bankruptcy Code or for any other relief afforded debtors or affecting rights of creditors generally under the laws of any jurisdiction; or
- (i) any event of default, as therein defined, shall occur under any of the other Loan Documents (after giving effect to any applicable notice, grace or cure period specified therein).

2.02 If a Default occurs, Mortgagee may, at Mortgagee's option, upon written notice to Mortgagor, declare the Indebtedness and all obligations for which the Note is given as security to be immediately due and payable, and may immediately exercise all remedies provided under this Mortgage or by law.

2.03 Upon default, Mortgagee shall have the right to enter upon and take possession of the Mortgaged Property and after or without taking such possession to sell the same (or such part or parts thereof as Mortgagee may from time to time elect to sell) at the front or main door to the courthouse of the county (or the division thereof) where said property, or any substantial material or part of said property, is located, at public outcry for cash, after first giving notice of the description of the property to be sold and the time, place and terms of such sale by publication once a week for three consecutive weeks prior to said sale in some newspaper published in the county or counties in which the property to be sold is located (or if no newspaper



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is published in any such county, then in a newspaper published in an adjoining county); and upon the payment of the purchase price, Mortgagee or the auctioneer at said sale is authorized to execute to the purchaser for and in the name of Mortgagor a good and sufficient deed to the property sold.

2.04 Mortgagee shall apply the proceeds of any sale or sales under this Mortgage as follows: First, to the payment of the Indebtedness hereby secured and interest thereon in such order as Mortgagee may elect, whether such debts shall or shall not have fully matured at the date of said sale; second, to the expenses of advertising, selling, preparing the Mortgaged Property for sale, and conveying, including a reasonable attorney's fee (including attorney's fees incurred by Mortgagee in connection with any proceeding seeking to enjoin the foreclosure of this Mortgage or otherwise challenge the right of Mortgagee to foreclose this Mortgage or sell any of the Mortgaged Property under this Mortgage and attorney's fees incurred in connection with any appeal); third, to the payment of any amounts that may have been expended or that may then be necessary to expend in paying insurance, taxes, assessments, and other liens and mortgages, and in making repairs, with interest thereon; and fourth, the balance, if any, to be paid over to Mortgagor or to whomsoever then appears of record to be the owner of Mortgagor's interest in said property.

2.05 Mortgagee may bid and become the purchaser of the Mortgaged Property at any foreclosure sale hereunder.

2.06 Mortgagor hereby waives any requirement that the Mortgaged Property be sold in separate tracts and agrees that Mortgagee may, at its option, sell said property en masse regardless of the number of parcels hereby conveyed.

2.07 The power of sale granted herein is a continuing power and shall not be fully exercised until all of the Mortgaged Property not previously sold shall have been sold or all of the Indebtedness and other obligations secured hereby have been satisfied in full.

2.08 Upon the occurrence of any such event described above, with respect to all of the Mortgaged Property which is personal property, Mortgagee shall have the rights and remedies of a secured party after default by its debtor under the Alabama Uniform Commercial Code, and shall have, without limitation, the right to take possession of any of the property herein transferred which is personal property and, with or without taking possession thereof, to sell the same at one or more public or private sales, or to proceed as to both the real property and personal property in accordance with Mortgagee's rights and remedies in respect of the real property, at the election of Mortgagee. At Mortgagee's request, Mortgagor agrees to assemble such property and to make the same available to Mortgagee at such place as Mortgagee shall reasonably designate. Mortgagor hereby waives, to the extent permitted by law, any requirement of a judicial hearing and notice of the time and place of any public sale or of the time after which any private sale or other intended disposition of said property, or of any part thereof, will be held and agree that any required notice which cannot be waived shall be sufficient if delivered to Mortgagor or mailed to Mortgagor at the address set forth above, or such other address as Mortgagor shall have furnished to Mortgagee in writing for that purpose, not less than five days before the date of such sale or other intended disposition of said property.



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Section 3 Miscellaneous.

3.01 This Mortgage does secure future advances.

3.02 Any notice shall be conclusively deemed to have been received and be effective upon being personally delivered, or on the third business day after being deposited in the United States mail, first class postage prepaid, to the party at the address set forth below (or at such other address as such party shall specify to Mortgagee by certified mail return receipt requested):

MORTGAGOR:

PARADISE POINT MARINE GROUP, LLC

1635 Duncan Dr. NW  
Atlanta GA 30318  
Attn: Lee Valley

With a copy to:

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Attn:

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MORTGAGEE:

DONALD C. HORTON.

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Attn:

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With a copy to:

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Attn:

The inclusion of this Section does not give rise to a duty of Mortgagee to provide any notice, nor any right of Mortgagor to receive other or further notice, such notice having been expressly waived.

3.03 All covenants, agreements, representations and warranties made herein or in connection herewith shall survive the execution and delivery hereof and shall continue in full force and effect so long as the Indebtedness or other obligations to Mortgagee are outstanding and unpaid, and each representation and warranty shall be deemed to have been reaffirmed at the time an advance of the Loan is made hereunder.

3.04 This Mortgage, and the rights and obligations of the parties hereunder and thereunder shall be governed by and be construed in accordance with the laws of the State of Alabama. Mortgagor hereby submits to jurisdiction in the State of Alabama for any action or cause of action arising out of or in connection with this Mortgage, agrees that venue for any such action shall be in Mobile County, Alabama, and waives any and all rights under the law of any state to object to jurisdiction or venue within Mobile County, Alabama. Notwithstanding the foregoing,



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nothing contained in this Mortgage shall prevent Mortgagee from bringing any action or exercising any right in any other county, state or jurisdiction against Mortgagor or any of Mortgagor's properties. Initiating such action or proceeding or taking any such action in any other state shall in no event constitute a waiver by Mortgagee of any of the foregoing.

**3.05** Neither any failure nor any delay on the part of Mortgagee in exercising any right, power or privilege hereunder, under the Note, or under any of the other Loan Documents, nor any course of dealing between the Mortgagor and Mortgagee shall operate as a waiver thereof; nor shall a single or partial exercise of any right, power or privilege. The remedies provided herein and in the other Loan Documents are cumulative and not exclusive of any remedies provided by law or of any remedies provided by any other document executed in connection herewith. Mortgagee may at its option exhaust its remedies hereunder, under the Note and under the other Loan Documents, either concurrently or independently, and in such order as it may determine in its sole discretion.

**3.06** No modification, amendment or waiver of any provision of this Mortgage, nor consent to any departure by the Mortgagor therefrom shall in any event be effective unless the same shall be in writing and signed by Mortgagee, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand upon the Mortgagor in any case shall entitle them to any other or further notice or demand in the same, similar or other circumstances.

**3.07** Without affecting the liability of any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Mortgage upon any portion of the Mortgaged Property not then or theretofore released as security of the full amount of all unpaid obligations, Mortgagee may, from time to time and without notice (i) release any person so liable, (ii) extend the maturity of any such obligation, (iii) grant other indulgences, (iv) release or reconvey or cause to be released or reconveyed at any time at Mortgagee's option any parcel, portion or all of the Mortgaged Property, (v) take or release any other or additional security for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto.

**3.08** Article and section headings in this Mortgage are included herein for convenience of reference only and shall neither constitute a part of this Mortgage, be considered in construing the meaning of any of the provisions hereof, nor be used for any other purpose. This Mortgage is intended to be under the seal of all parties hereto and to have the effect of a sealed instrument in accordance with the law. This Mortgage, together with the Note and the other Loan Documents, constitutes and embodies the entire agreement and understanding between the parties, supersedes all prior agreements, representations and understandings related to the subject matter hereof or thereof, and may not be modified or amended except by a written agreement executed by the Mortgagee and Mortgagor. No oral promise, agreement, representation or statement made by Mortgagee may be relied upon or create any liability of Mortgagee and shall not be binding or have any effect whatsoever unless reduced to writing and executed by Mortgagee.

**3.09** In case any one or more of the provisions contained in this Mortgage should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the



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remaining provisions contained herein or therein shall not in any way be affected or impaired thereby. However, if, any provision which is held unenforceable defeats the purpose of this Mortgage, then Mortgagee may, at its option, demand payment in full of the Indebtedness.

3.10 This Mortgage shall be binding upon the successors and assigns of Mortgagor, and the right, remedies, powers, and privileges of Mortgagee hereunder shall inure to the benefit of the successors and assigns of Mortgagee.

3.11 EACH PARTY TO THIS MORTGAGE HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, COUNTERCLAIM, ACTION OR CAUSE OF ACTION (1) ARISING UNDER OR RELATED TO THIS MORTGAGE OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR ARISING UNDER OR RELATED TO ANY OTHER LIABILITY, OR (2) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE RELATIONSHIP BETWEEN OR COURSE OF DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THE LOAN, THIS MORTGAGE, ANY OTHER LOAN DOCUMENT, AGREEMENT OR INSTRUMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED HERETO, OR RELATING TO ANY OTHER LIABILITY; IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE ARBITRATED PURSUANT TO THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION IN EFFECT AT THE TIME THE CLAIM IS FILED, UPON THE REQUEST OF EITHER PARTY. NO ACT TO TAKE OR DISPOSE OF ANY MORTGAGED PROPERTY SHALL CONSTITUTE A WAIVER OF THIS ARBITRATION AGREEMENT OR BE PROHIBITED BY THIS ARBITRATION AGREEMENT. THIS INCLUDES, WITHOUT LIMITATION, OBTAINING INJUNCTIVE RELIEF OR A TEMPORARY RESTRAINING ORDER; INVOKING A POWER OF SALE UNDER ANY DEED OF TRUST OR MORTGAGE; OBTAINING A WRIT OF ATTACHMENT OR IMPOSITION OF A RECEIVER; OR EXERCISING ANY RIGHTS RELATING TO PERSONAL PROPERTY, INCLUDING TAKING OR DISPOSING OF SUCH PROPERTY WITH OR WITHOUT JUDICIAL PROCESS PURSUANT TO ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE. ANY DISPUTES, CLAIMS, OR CONTROVERSIES CONCERNING THE LAWFULNESS OR REASONABLENESS OF ANY ACT, OR EXERCISE OF ANY RIGHT, CONCERNING ANY MORTGAGED PROPERTY, INCLUDING ANY CLAIM TO RESCIND, REFORM, OR OTHERWISE MODIFY ANY AGREEMENT RELATING TO THE MORTGAGED PROPERTY, SHALL ALSO BE ARBITRATED, PROVIDED HOWEVER THAT NO ARBITRATOR SHALL HAVE THE RIGHT OR POWER TO ENJOIN OR RESTRAIN ANY ACT OF ANY PARTY. JUDGMENT UPON ANY AWARD RENDERED BY AN ARBITRATOR MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. NOTHING IN THE MORTGAGE SHALL PRECLUDE ANY PARTY FROM SEEKING EQUITABLE RELIEF FROM A COURT OF COMPETENT JURISDICTION. THE STATUTE OF LIMITATIONS, ESTOPPEL, WAIVER, LACHES, AND SIMILAR DOCTRINES WHICH WOULD OTHERWISE BE APPLICABLE IN AN ACTION BROUGHT BY A PARTY SHALL BE APPLICABLE IN ANY ARBITRATION PROCEEDING, AND THE COMMENCEMENT OF AN ARBITRATION PROCEEDING SHALL BE DEEMED THE COMMENCEMENT OF AN ACTION FOR THESE PURPOSES. THE FEDERAL ARBITRATION ACT SHALL APPLY



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TO THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS ARBITRATION PROVISION.

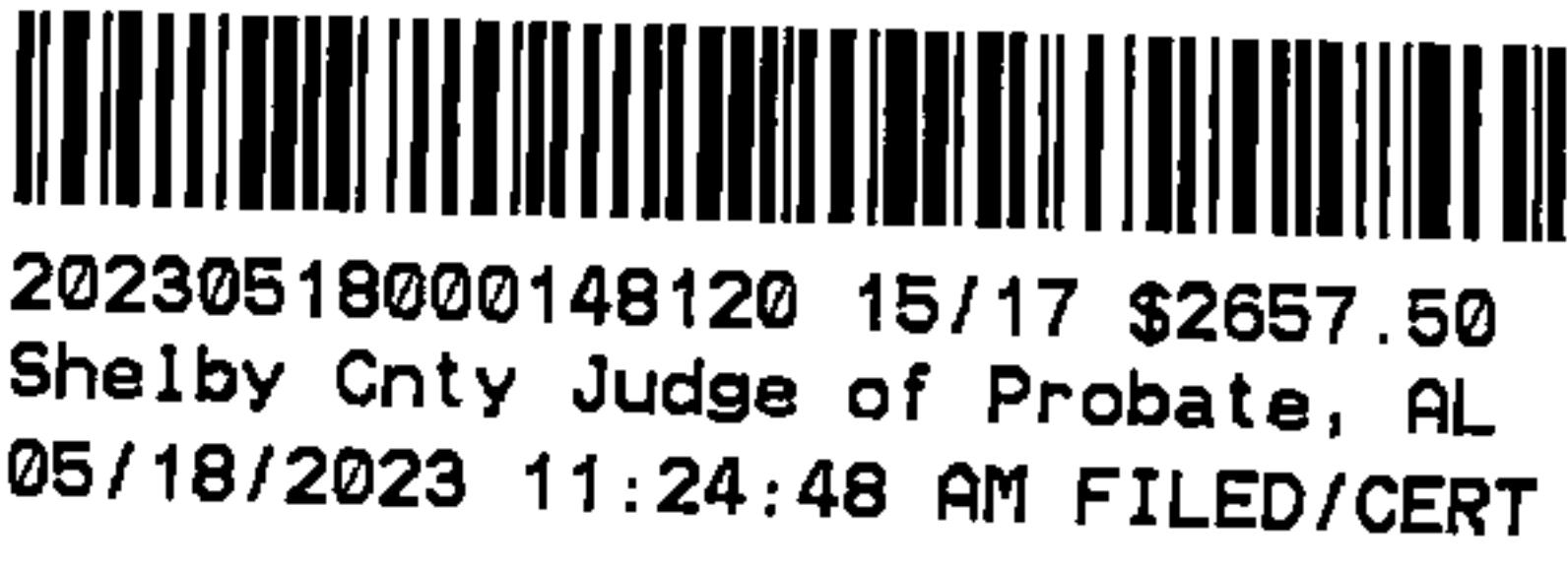
3.12 From time to time, as requested by Mortgagee, Mortgagor shall take such other action and execute and deliver to Mortgagee all other instruments, supplements, further assurances and security or other agreements as may be required or requested by Mortgagee in order to perfect and continue Mortgagee's lien and interest in the Mortgaged Property. Mortgagor hereby irrevocably appoints Mortgagee as its agent and attorney in fact to sign all such instruments, supplements, further assurances and security and other agreements.

3.13 Limited Recourse to the Mortgagor. Except as otherwise provided in this Section below, Mortgagor shall have no liability under for the repayment of the indebtedness or for the performance of any other obligations of Mortgagor under the Loan Documents, and Mortgagee's only recourse for the satisfaction of the indebtedness and the performance of such obligations shall be Lender's exercise of its rights and remedies with respect to the property described in the Loan Documents.

Mortgagor and Guarantors shall be liable to Mortgagee for the repayment of that portion of the indebtedness equal to any loss or damage suffered by Lender as a result of:

- (i) an intentional act of Fraud; or
- (ii) damage to or destruction of the property caused by any act of arson by Borrower or Guarantors, or any of their affiliates or agents, or that is not covered by insurance; or
- (iii) waste of the property due to an act or the gross negligence of Borrower or Guarantors.
- (iv) failure to pay property taxes, assessments, and insurance as described in the Loan Documents.

[Signature Page to Follow]



[Signature Page to Mortgage]

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed by its manager thereunto duly authorized, this the 15<sup>th</sup> day of May, 2023.

**Mortgagor:**

PARADISE POINT MARINE GROUP, LLC

By: L. Nalley  
Name: Lee Nalley  
As Its: Principal / owner

STATE OF AL

COUNTY OF Shelby

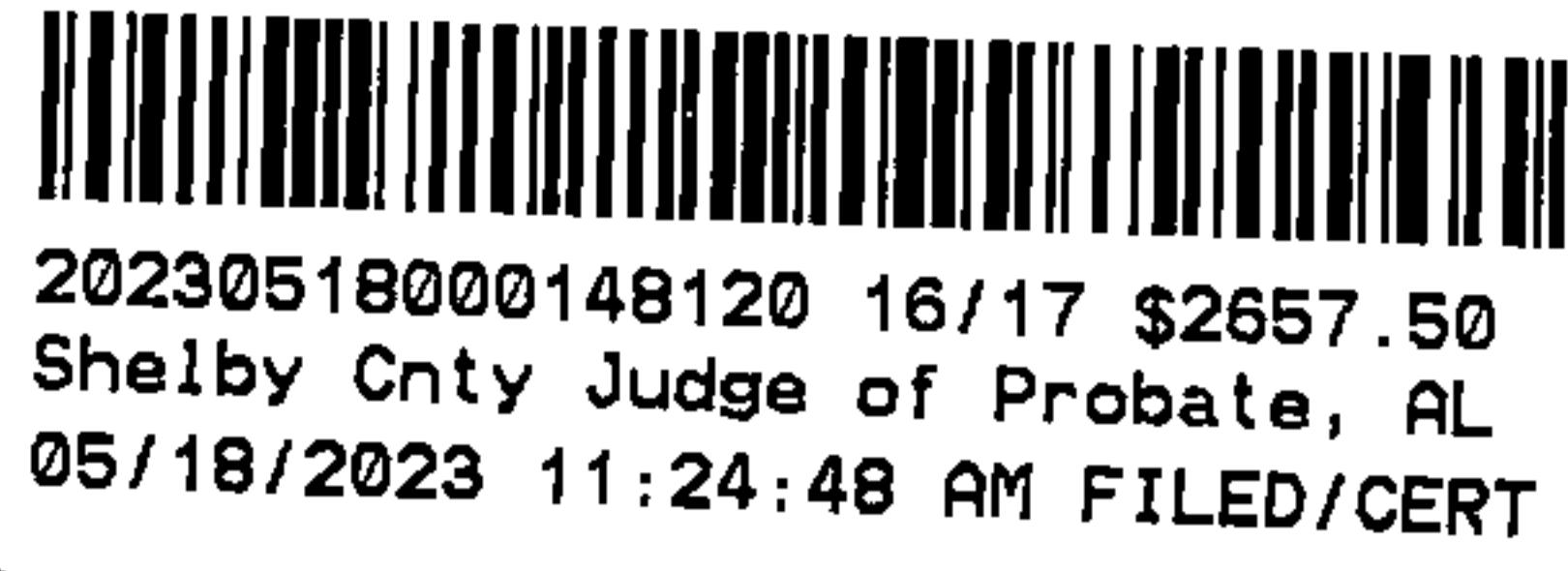
I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Lee Nalley, whose name as Principal of PARADISE POINT MARINE GROUP, LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand this 15<sup>th</sup> day of May, 2023.

(seal)

Daphne Dawn Jones  
NOTARY PUBLIC  
My Commission Expires: 3-11-27

DAPHNE DAWN JONES  
NOTARY PUBLIC  
ALABAMA STATE AT LARGE  
COMM. EXP. 03/16/27



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EXHIBIT A

That real property situated in the County of Shelby, State of Alabama, described as follows, to-wit:

BEGIN at the SW Corner of the SW 1/4 of the SE 1/4 of Section 36, Township 21 South, Range 1 East, Shelby County, Alabama, said point lying on the easterly R.O.W. line of Paradise Point Drive and the POINT OF BEGINNING; thence N03°16'46"W and along said R.O.W. line for a distance of 96.69' to a curve to the left having a radius of 3030.00', and subtended by a chord bearing of N04°08'13"W, and a chord distance of 90.69'; thence along the arc of said curve and along said R.O.W. line for a distance of 90.70'; thence N04°59'40"W and along said R.O.W. line for a distance of 879.99' to a curve to the right, having a radius of 5970.00', and subtended by a chord bearing of N03°47'07"W, and a chord distance of 251.96'; thence along the arc of said curve and along said R.O.W. line for a distance of 251.97'; thence N89°16'43"E and leaving said R.O.W. line for a distance of 895.49'; thence S07°48'20"E for a distance of 92.57'; thence S23°57'09"W for a distance of 506.24'; thence S46°50'42"E for a distance of 33.89'; thence S80°06'52"E for a distance of 19.91'; thence N76°05'32"E for a distance of 47.76'; thence S25°27'40"E for a distance of 20.36'; thence S82°35'35"E for a distance of 18.71'; thence N20°17'12"E for a distance of 11.76'; thence S45°50'06"E for a distance of 18.96'; thence S17°13'26"W for a distance of 12.88' to the edge of Lay Lake, all further calls will be along said lake until otherwise noted; thence S45°29'54"E for a distance of 21.44'; thence S81°40'14"E for a distance of 94.03'; thence S84°28'40"E for a distance of 32.66'; thence S74°53'19"E for a distance of 20.07'; thence S39°02'53"E for a distance of 8.68'; thence S07°29'18"E for a distance of 9.69'; thence S03°10'19"W for a distance of 42.86'; thence S22°10'38"W for a distance of 34.35'; thence S03°33'46"E for a distance of 13.07'; thence S04°44'41"W for a distance of 24.55'; thence S36°49'49"E for a distance of 16.49'; thence S45°42'16"E for a distance of 13.69'; thence S70°21'04"E for a distance of 24.54'; thence S76°54'18"E for a distance of 13.21'; thence N73°54'08"E for a distance of 12.99'; thence N43°40'27"E for a distance of 13.95'; thence N23°23'29"E for a distance of 5.24'; thence N01°00'21"E for a distance of 7.89'; thence N63°34'01"E for a distance of 23.54'; thence S73°30'40"E for a distance of 46.29'; thence S56°59'21"E for a distance of 29.08'; thence S68°05'54"E for a distance of 10.25'; thence S35°37'31"E for a distance of 19.55'; thence S25°09'12"E for a distance of 27.57'; thence S11°59'15"W for a distance of 6.20'; thence S46°45'10"W for a distance of 13.36'; thence S66°09'48"W for a distance of 29.32'; thence N89°19'33"W for a distance of 19.72'; thence N80°19'19"W for a distance of 28.28'; thence S19°40'07"W for a distance of 3.16'; thence N76°46'09"W for a distance of 19.98'; thence N15°10'53"E for a distance of 2.48'; thence N75°29'41"W for a distance of 115.26'; thence S15°16'40"W for a distance of 7.74'; thence N75°54'27"W for a distance of 3.88'; thence S10°59'06"W for a distance of 37.96'; thence S70°19'54"E for a distance of 101.90'; thence S18°44'10"W for a distance of 28.05'; thence S70°07'05"W for a distance of 27.65'; thence S40°21'32"W for a distance of 47.89'; thence S34°32'07"W for a distance of 62.75'; thence S42°40'20"W for a distance of 15.34'; thence S27°09'38"W for a distance of 46.89'; thence S11°55'10"W for a distance of 43.47'; thence S27°25'27"E for a distance of 24.79'; thence S68°05'55"E for a distance of 10.45'; thence S17°04'24"E for a distance of 13.52'; thence S39°14'39"W for a distance of 24.27'; thence S18°48'07"W for a distance of 45.65'; thence S77°32'56"W for a distance of 15.66'; thence S52°53'48"W for a distance of 19.75'; thence S19°35'44"W for a distance of 13.87'; thence S65°4'57"E for a distance of 12.80'; thence S06°59'29"W for a distance of 12.14'; thence S86°1'02"W and leaving said lake for a distance of 776.71' to the POINT OF BEGINNING.

Less and except any portion thereof lying within the public rights of way.



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EXHIBIT B

PERMITTED ENCUMBRANCES