

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 1, 2022

**GENERATION INCOME PROPERTIES, INC.**

(Exact Name of Registrant as Specified in its Charter)

**Maryland**  
(State or Other Jurisdiction of  
Incorporation)

**001-40771**  
(Commission  
File Number)

**47-4427295**  
(IRS Employer  
Identification No.)

**401 East Jackson Street, Suite 3300**  
**Tampa, Florida**  
(Address of Principal Executive Offices)

**33602**  
(Zip Code)

Registrant's telephone number, including area code: (813)-448-1234

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	GIPR	The Nasdaq Stock Market LLC
Warrants to purchase Common Stock	GIPRW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

### **Item 1.01 Entry into a Material Definitive Agreement**

On April 1, 2022, Generation Income Properties, Inc. (the “Company”), through certain subsidiaries (the “Borrowers”) of its operating partnership, Generation Income Properties L.P. (the “Operating Partnership”), entered into two loan agreements (the “Loan Agreements”) with Valley National Bank (the “Lender”) in the aggregate amount of approximately \$13.5 million to refinance seven of the Company’s properties (the “Properties”). The Loan Agreements consist of one loan in the amount of \$2.1 million that is secured by the Company’s property in Rockville, IL and one loan in the amount of \$11.4 million that is secured by the remaining six properties located in Manteo, NC, Plant City, FL, Grand Junction, CO, Chicago, IL, Tampa, FL, and Tucson, AZ. Each of the Borrowers issued a promissory note, dated April 1, 2022, to the Lender for the amount of the Loan Agreement to which such Borrower is a party (the “Notes”).

The Notes bear interest at a fixed rate of 3.85% from April 1, 2022 through and until March 31, 2027. Commencing April 1, 2027, the interest rate on the Notes shall be adjusted to a fixed rate equivalent to the weekly average yield of nominal (non-inflation indexed) U.S. Treasury securities adjusted to a constant maturity of five years as published in the Board of Governors of the Federal Reserve System Statistical Release (Publication H.15 [519]) plus 2.5%, subject to a floor interest rate of 3.85% per annum. The Borrowers paid the Lender origination fees equal to \$67,500, in the aggregate, for the funding of the loans pursuant to the Loan Agreements. Each Note has an interest-only payment term for the first 12 months, after which time the Borrowers shall make monthly payments, which shall include repayment of principal based upon a 25-year amortization from the date of such Note. The entire principal balance of each Note plus all accrued and unpaid interest thereon shall be due and payable on March 31, 2032. David Sobelman, the Company’s Chairman, President and Chief Executive Officer, entered into two guaranty agreements (the “Guaranty Agreements”) pursuant to which he guaranteed the payment obligations under the Notes if they become due as a result of certain “bad-boy” provisions, individually and with respect to the Loan Agreement relating to the Company’s property in Rockville, IL, on behalf of the Operating Partnership. The Notes are secured by the Properties, as described in the first paragraph above, and the associated rental income from those Properties, pursuant to the terms of two mortgage and security agreements (the “Security Agreements”).

Each Loan Agreement requires the Borrower(s) thereunder to maintain a debt service coverage ratio of not less than 1.50 to 1.00 tested annually, beginning December 31, 2022. The Loan Agreements contain other customary affirmative covenants, negative covenants and events of default. Should any event of default occur under a Loan Agreement, the outstanding borrowings, together with accrued interest, may be declared immediately due and payable.

The foregoing summary of the terms and conditions of the Loan Agreements, the Notes, the Security Agreements, and the Guaranty Agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the agreements attached as exhibits hereto, which are incorporated herein by reference.

### **Item 2.03 Creation of a Direct Financial Obligations or an Obligation under an Off-Balance Sheet Arrangement of a Registrant**

The information contained under Item 1.01 above is hereby incorporated by reference into this Item 2.03.

### **Item 7.01. Regulation FD Disclosure.**

On April 6, 2022, the Company issued a press release announcing the entry into the Loan Agreements and related documents. A copy of the press release is being filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information provided in Item 7.01 of this Current Report on Form 8-K and in the attached Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
<u>10.1</u>	<u>Loan Agreement, dated April 1, 2022, by and among GIPAZ 199 N Pantano Road, LLC, GIPCO 585 24 0.5 Road, LLC, GIPFL 702 Tillman Place, LLC, GIPFL 10002 N Dale Mabry, LLC, GIPNC 201 Etheridge Road, LLC, and GIPIL 3134 W 76TH Street LLC, as the borrowers, David Sobelman, as guarantor, and Valley National Bank, as lender.</u>
<u>10.2</u>	<u>Guaranty of Payment, dated April 1, 2022 by David Sobelman, individually, as guarantor, to Valley National Bank, as lender.</u>
<u>10.3</u>	<u>Multi-State Fee and Leasehold Mortgage and Security Agreement, dated April 1, 2022, made by among GIPAZ 199 N Pantano Road, LLC, GIPCO 585 24 0.5 Road, LLC, GIPFL 702 Tillman Place, LLC, GIPFL 10002 N Dale Mabry, LLC, GIPNC 201 Etheridge Road, LLC, and GIPIL 3134 W 76TH Street LLC, as mortgagor(s), and Valley National Bank, as mortgagee.</u>
<u>10.4</u>	<u>Promissory Note, dated April 1, 2022, issued by GIPAZ 199 N Pantano Road, LLC, GIPCO 585 24 0.5 Road, LLC, GIPFL 702 Tillman Place, LLC, GIPFL 10002 N Dale Mabry, LLC, GIPNC 201 Etheridge Road, LLC, and GIPIL 3134 W 76TH Street LLC, as borrowers, in favor of Valley National Bank, as lender.</u>
<u>10.5</u>	<u>Loan Agreement, dated April 1, 2022, by and among GIPIL 525 S Perryville Rd, LLC, and Sunny Ridge MHP LLC, as borrowers, David Sobelman, individually and as President of Generation Income Properties, Inc., the General Partner of Generation Income Properties, L.P., as guarantor, and Valley National Bank, as lender.</u>
<u>10.6</u>	<u>Guaranty of Payment, dated April 1, 2022, by David Sobelman, individually and David Sobelman, as President of Generation Income Properties, Inc., the General Partner of Generation Income Properties, L.P., as guarantor, to Valley National Bank, as lender.</u>
<u>10.7</u>	<u>Mortgage and Security Agreement, dated April 1, 2022, by GIPIL 525 Perryville Rd LLC, and Sunny Ridge MHP LLC as mortgagors, and Valley National Bank, as mortgagee.</u>
<u>10.8</u>	<u>Promissory Note, dated April 1, 2022, issued by GIPIL 525 S Perryville Rd, LLC and Sunny Ridge MHP LLC, as borrowers, in favor of Valley National Bank, as lender.</u>
<u>99.1</u>	<u>Press Release dated April 6, 2022.</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**GENERATION INCOME PROPERTIES,  
INC.**

Date: April 7, 2022

By: /s/ Allison Davies  
Allison Davies  
Chief Financial Officer

4874-2917-3274.1

## LOAN AGREEMENT

THIS LOAN AGREEMENT (the “**Agreement**”) is made and entered into as of this 1st day of April, 2022, by and among **GIPAZ 199 NORTH PANTANO ROAD, LLC**, a Delaware limited liability company (“**Tucson**”), **GIPCO 585 24 ½ ROAD, LLC**, a Delaware limited liability company (“**Grand Junction**”), **GIPFL 702 TILLMAN PLACE, LLC**, a Delaware limited liability company (“**Plant City**”), **GIPFL 10002 N DALE MABRY, LLC**, a Delaware limited liability company (“**Tampa**”), **GIPNC 201 ETHERIDGE ROAD, LLC**, a Delaware limited liability company (“**Manteo**”), and **GIPIL 3134 W 76TH STREET, LLC**, a Delaware limited liability company (“**Chicago**”) (“**Tucson**,” “**Grand Junction**,” “**Plant City**,” “**Tampa**,” “**Manteo**,” together with “**Chicago**” hereinafter collectively, the “**Borrower**”), **DAVID SOBELMAN**, individually (“**Guarantor**”), and **VALLEY NATIONAL BANK**, a national banking association, its successors and assigns (“**Lender**”).

### RECITALS

WHEREAS, contemporaneously with the execution of this Agreement, Lender is making a loan to Borrower in the principal amount of Eleven Million Four Hundred Thousand and No/100 Dollars (\$11,400,000.00), for the purpose of refinancing and/or acquiring that certain real property as hereinafter described (the “**Loan**”), to be secured by, among other things, a first lien security interest in certain real property located in Pima County, Arizona, Mesa County, Colorado, Hillsborough County, Florida, Dare County, North Carolina, and Cook County, Illinois and more particularly described on **Exhibit “A”** attached hereto (collectively, the “**Property**”).

WHEREAS, the Loan is (i) evidenced by that certain promissory note dated as of even date herewith, made by Borrower and payable to the order of Lender in the principal amount of the Loan (the “**Note**”), and (ii) secured by, among other collateral, a first priority Mortgage and Security Agreement dated as of even date herewith from Borrower to Lender (the “**Mortgage**”), encumbering the Property (the Note, the Mortgage, this Agreement and all other documents executed by Borrower and/or Guarantor or delivered to Lender in connection with the Loan being hereinafter collectively called the “**Loan Documents**”); and

WHEREAS, Borrower’s payment and performance of the Loan is guaranteed by the Guarantor pursuant to that certain Guaranty Agreement dated as of even date herewith (the “**Guaranty**”); and

WHEREAS, Lender has agreed to make and Borrower has agreed to accept the Loan, upon and subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein and for other valuable consideration, the parties covenant and agree as follows:

**1.                   Definitions.**                   For the purposes of this Agreement, the following terms shall have the following meanings:

1.1                   “Accountant” shall mean any independent certified public accountant of recognized standing selected by Borrower and reasonably acceptable to Lender.

1.2                   “Agreement” shall mean this Loan Agreement and any and all amendments, extensions, renewals, replacements, substitutions, modifications and consolidations thereof.

1.3                   “Borrower” shall have the meaning assigned such term in the Preamble to this Agreement.

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1.4                   “Business Day” shall mean any day which is not a Saturday, Sunday or legal holiday in the State of Florida, on which banks are open for business in Tampa, Florida.

1.5                   “Collateral” shall mean that real and/or personal property which secures repayment of the Loan Obligations as described in the Security Documents.

**2.           Warranties and Representations.** Borrower and Guarantor warrant and represent to Lender as follows:

(a)           Due Formation, Power and Authority. Borrower (i) is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware; (ii) has the power and authority to own property and to carry on its business in every jurisdiction in which the nature of its business or its properties make such qualification necessary; (iii) is in compliance in all material respects with all laws, regulations, ordinances and public authorities applicable to it, unless otherwise disclosed to and acknowledged by Lender in writing; and (iv) has the full power and authority to consummate the transaction contemplated herein.

(b)           Organizational Documents of Borrower. The Certificate of Formation and Limited Liability Company Agreement of Borrower that have been furnished to Lender are true and complete and have not been modified or amended except by amendments of which Lender has been advised and furnished true and complete copies.

(c)           Validity of Loan Documents. The execution and delivery of this Agreement and the other Loan Documents by Borrower, the performance of its obligations hereunder and thereunder, and the consummation of the transactions contemplated hereby (i) have been duly authorized by all requisite action on the part of Borrower; (ii) do not require the approval of any governmental authority; (iii) will not violate any provision of law (including, without limitation, any applicable usury law or similar law), any order or regulation of any court or other governmental authority, or any indenture, agreement or other instrument to which Borrower is a party or by which it or any of its property is bound; and (iv) will not conflict with, result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Borrower's property or assets, except as contemplated by the provisions of this Agreement. The Loan Documents constitute the legal, valid and binding obligations of Borrower and each Guarantor, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally, by equitable principles and by principles of good faith, fair dealing and reasonableness.

(d)           Financial Statements. All balance sheets, statements of profit and loss, and other financial data that have been furnished to Lender with respect to Borrower or Guarantor (i) are complete and correct in all material respects; and (ii) accurately present the financial condition of Borrower and Guarantor as of the dates, and the results of their operations for the periods, for which the same have been furnished. Such balance sheets disclose all known liabilities, direct and contingent, as of their respective dates and there has been no material change in the condition of Borrower or any Guarantor, financial or otherwise, since the date of the most recent financial statements furnished to Lender with respect thereto, other than changes in the ordinary course of business, none of which changes has been materially adverse.

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(e) Other Information. All other information, reports, papers and data furnished to Lender with respect to Borrower or Guarantor are accurate, correct and complete in all material respects.

(f) Other Agreements. Borrower is not (i) a party to or bound by any agreement, other than those certain leases between Borrower and tenants as disclosed on the Rent Roll and attached hereto as **Exhibit "B"** (collectively, the "**Tenant**"), or instrument adversely affecting its present or proposed businesses, properties or assets, or its operation or condition, financial or otherwise; or (ii) in breach or default in the performance, observance or fulfillment of any material obligations, covenants or conditions set forth in any agreement or instrument to which it is a party or by which it is bound.

(g) Other Financing. Borrower does not have any outstanding financing, or any commitment to provide such financing, secured by the Property except for the Loan.

(h) Taxes. Borrower has filed all income tax returns required to have been filed by it and has paid all taxes which have become due pursuant to such returns or pursuant to any assessment received by it, and Borrower does not know of any basis for additional assessment in respect of such taxes. There are no liens against the Property for any past due taxes or for any public assessments for paving, sidewalks, curbing, sewers or any other street or off-site improvements of any kind constructed, commenced or contracted for prior to the date hereof. The Property is free from all due and unpaid water charges, sewer rents, taxes and assessments.

(i) Litigation. There is not now pending against or affecting Borrower or Guarantor, nor to the knowledge of Borrower or Guarantor is there threatened, any action, suit or proceeding at law or in equity, or by or before any governmental authority (domestic or foreign) or any administrative agency, which, if adversely determined, would impair or adversely affect the financial condition or operations of Borrower or Guarantor. Neither Borrower nor Guarantor is involved in any state or federal bankruptcy, reorganization, arrangement, insolvency proceedings, receivership or any other debtor-creditor proceeding, nor has Borrower or Guarantor made any assignment for the benefit of creditors.

(j) Title. Borrower has good and marketable title in fee simple to the Property, free and clear of any liens, charges, encumbrances, security interests and adverse claims whatsoever, except for the matters, if any, listed as exceptions in that certain Fidelity National Title Insurance Company ("**Title Agent**"), bearing Commitment Number \_\_\_\_\_, in favor of Lender, and acceptable to reasonably Lender, as amended and delivered to Lender on the date hereof and subject only to that certain written lease agreements between Borrower and Tenants (the "**Permitted Encumbrances**").

(k) Utilities. All utility services necessary for the full use and operation of the Property are available within or at the boundaries of the Property, including water supply, storm and sanitary sewer facilities, electricity and telephone facilities.

(l) Licenses, Etc. All licenses, permits, consents, approvals and authorizations to occupy the Property have been obtained and are in full force and effect, including without limitation all licenses, permits, consents, approvals and authorizations required under federal, state and/or local laws, statutes, regulations, rules, codes, ordinances and orders with respect to platting, subdivision, zoning, land use, access to public streets, curb cuts, drainage, safety, building, fire protection, water, sewer, environmental and energy matters.

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(m) Environmental Laws. All pollution control and environmental protection laws and regulations that are applicable to the Property and the use thereof have been and will be satisfied.

(n) No Event of Default. No default or Event of Default (as hereinafter defined) exists under this Agreement, the other Loan Documents, the Permitted Encumbrances (as hereinafter defined) and no event has occurred and is continuing which, with notice or the passage of time or both would constitute a default or Event of Default under any provision hereof or thereof. The consummation of the transactions hereby contemplated and performance of this Agreement and the other Loan Documents will not result in any breach of, or constitute a default under the Permitted Exceptions or any mortgage, deed of trust, lease, bank loan or credit agreement, articles of organization, corporate charter, certificate of formation, by law, operating agreement, partnership agreement or other instrument to which Borrower or Guarantor is a party or by which any of them may be bound or affected.

(o) Condition of the Property. No part of the Property is now materially damaged or injured as a result of any fire, explosion, accident, flood or other casualty.

(p) Construction Liens. No notice of commencement has been filed of record with respect to the Property, and no other act or thing has been or will be done with respect to the Property (including without limitation any construction or delivery of materials) that could, under any circumstances, give rise to the recording of any lien of a mechanic, materialman, contractor, subcontractor, laborer or any other person prior to the recording of the Mortgage.

All representations and warranties made by Borrower and Guarantor in this Agreement shall be true and correct as of the date of execution of this Agreement and have been and will be relied upon by Lender and constitute an inducement for the making and continuation of the Loan. If any representation, warranty or statement made herein or furnished to Lender is false or misleading in any material respect when made, such event shall constitute a default hereunder and under the Loan Documents.

**3. Affirmative Covenants.** Borrower and Guarantor covenant and agree with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder or under any other arrangements between Borrower and Lender, unless Lender shall otherwise consent in writing, Borrower and Guarantor (as applicable) will:

(a) Existence, Properties, Etc. Borrower shall do all things necessary to preserve and maintain in full force and effect (i) the existence and good standing of Borrower as a limited liability company or other business entity under the laws of the State of Delaware; and (ii) all qualifications or licenses, if any, required for the conduct of Borrower's business.

i) All insurance policies required under this Agreement shall be subject to Lender's reasonable approval as to insurer, amounts, form, risk coverage, deductibles, insurance and provisions relating to notices, cancellation and Lender's rights as mortgagee/loss payee. Loss payments shall be applied to the restoration, repair or replacement of the Property provided (i) no Event of Default (or any other event that, with notice or the passage of time, or both, would constitute an Event of Default) has occurred and is continuing; (ii) Borrower either (A) deposits additional monies with Lender in amounts which in Lender's reasonable judgment are sufficient to defray all costs to be incurred in excess of the loss payments to complete the restoration and all costs associated therewith, including labor, materials, architectural and design fees and expenses and contractor's fees and expenses, or (B) provides evidence satisfactory to Lender of the direct payment by Borrower of all costs to be incurred in excess of the loss payments to complete

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the restoration and all costs associated therewith, including labor, materials, architectural and design fees and expenses and contractor's fees and expenses, through direct payment to the parties providing same, all as evidenced by paid receipts and/or cancelled checks and lien waivers or releases satisfactory to Lender; (iii) Lender shall have approved a budget and cost breakdown for the restoration, together with a disbursement schedule, in detail satisfactory to Lender; and (iv) Lender determines that such Property can be restored or repaired before the maturity date of the Loan. If the conditions set forth in the preceding sentence are not met to Lender's reasonable satisfaction, the loss payments shall at Lender's discretion be applied to the payment of the principal and interest on the Note and all other indebtedness of Borrower to Lender.

(b) General Liability Insurance. Borrower shall carry or cause tenant to carry comprehensive general liability insurance with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate and with insurers reasonably acceptable to Lender and shall deliver to Lender original or certified copies of such policy or policies or certificates of such coverage as may be requested from time to time by Lender. In addition, the Borrower shall carry, on a minimum basis, the coverage that has been previously provided to the Lender.

(c) Workers' Compensation Insurance. In the event that Borrower employs any employees in connection with the Property, then Borrower shall carry workers' compensation and employer's liability insurance and pollution liability insurance covering all liability in connection with the Property under applicable workers' compensation laws and shall deliver to Lender such certificates of coverage with respect thereto as may be requested from time to time by Lender.

(d) Books and Records.

i) Borrower shall maintain full and complete books of account and other records reflecting the results of its operation of the Property in a form reasonably satisfactory to Lender, and Borrower (and Guarantor, where indicated) will furnish, or cause to be furnished to Lender:

(1) Annually, within thirty (30) calendar days of filing, Borrower and Guarantor shall provide to Lender federal tax returns or extension applications therefore (including attached schedules);

(2) Guarantor shall submit to Lender annual personal financial statements and certifications therefor in a form reasonably satisfactory to Lender no later than thirteen (13) months from the date of delivery of the last annual financial statement and certification to Lender. The Borrower shall furnish to the Lender annually the following information related to the Property: occupancy reports, delinquency reports, manager reports, accounts payable aging, quality inspection reports and any other information and/or reports reasonably requested by Lender. The Borrower and Guarantor shall provide such other financial information or statements which the Lender may request by not less than ten (10) days prior written notice from time to time, all to be in form and content satisfactory to the Lender. All financial statements must be certified by Guarantor as true, correct, and complete in all material respects and they shall be prepared in a form reasonably acceptable to Lender. Such financial statements shall include a complete description of all contingent liabilities, including, without limitation, all indebtedness guaranteed. Failure to provide any of the information required in this paragraph, following ten (10) calendar days' written notice to the Borrower, shall

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be a default under the Loan Documents. Borrower shall further covenant and agree that Lender shall have the absolute right to inspect Borrower's books and records concerning the Property on reasonable prior notice and during reasonable business hours. In addition, Borrower shall promptly, from time to time, furnish to Lender such other information regarding the operations, business, affairs and financial condition of Borrower as Lender may reasonably request. Failure to furnish the financial statements required herein or to permit inspection of books shall constitute a default by the Borrower hereunder;

ii) In addition to the foregoing, Borrower and Guarantor shall (i) promptly furnish to Lender such other financial statements and other data concerning its affairs, properties and financial condition of Borrower or Guarantor as Lender from time to time may reasonably request, (ii) promptly notify Lender of any material adverse change in financial condition of Borrower or Guarantor or in the physical condition of the Property and (iii) at Lender's option following an Event of Default, shall maintain with Lender tax and insurance escrows in separate depository accounts as selected by the Lender. At any time and from time to time, Borrower and Guarantor shall deliver or cause to be delivered to Lender such other financial data as Lender shall reasonably request with respect to the ownership and operation of the Property, and Lender shall have the right, at reasonable times and upon reasonable notice, to review Borrower's books of account and records relating to the Property, all of which shall be made available and delivered to Lender and Lender's representatives for such purpose. If such statements or balance sheets are not received within the time(s) provided, then, following written notice to Borrower, Lender shall have the right to employ independent accountants of its choice to inspect the books and other records of Borrower to obtain and/or verify the necessary information, for which Borrower agrees to make payment and hold Lender harmless from the cost and expense of same. After the occurrence of an Event of Default, Lender shall have the right, in the exercise of its sole discretion, to require the Borrower, at Borrower's sole cost and expense, cause any financial statements of Generation Income Properties, Inc., to be audited by an independent certified public accountant acceptable to Lender, and that Borrower deliver such audited financial statements to Lender in lieu of, or in addition to, the unaudited financial statements required by clause (d)(i).

(e) Notice. Borrower shall give prompt written notice to Lender of (i) any material action or proceedings related to the Property or the Loan that are instituted by or against Borrower or Guarantor in any court or by any commission or other regulatory body, or (ii) any action or proceedings instituted by or against Borrower or Guarantor, or threatened against any of them in writing, that might result in a judgment or judgments of \$25,000.00 or more, to the Borrower or Guarantor, or (iii) any other action, event or condition of any nature known to Borrower, or of which it should have knowledge, that (A) constitutes an Event of Default, or (B) would reasonably be expected to have a material adverse effect upon the business, operations, properties, assets or financial condition of Borrower or Guarantor.

(f) Performance of Obligations. Borrower shall duly pay, perform and discharge all of its obligations under this Agreement, the Note, the Mortgage and the other Loan Documents.

(g) Other Financing. Borrower shall not obtain any other financing or indebtedness (secured or unsecured), without the prior written consent of Lender, except for trade payables incurred in the ordinary course of business not exceeding \$25,000.00 per property or \$250,000.00 in the aggregate at any time. Borrower expressly acknowledges and agrees that any debt owed by

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Borrower to any of its members, managers, owners, or to the Guarantor, of any membership or ownership interests is and at all times shall be subordinate to the Loan in all respects.

(h) Transfer or Conveyance. Neither Borrower nor Guarantor shall, voluntarily or by operation of law, sell, convey, transfer or encumber, or permit to be sold, conveyed, transferred or encumbered, any interest in or any part of the Property without the written consent of Lender having been first obtained, which consent will not be unreasonably withheld, conditioned or delayed. Any prohibited transaction under this paragraph shall be null and void as to Lender.

(i) Change in Ownership. Neither Borrower nor Guarantor shall permit the creation of any new membership or ownership interest in Borrower or permit or effect any material change in the control or management of the Borrower or the Property or allow any modification or amendment in the organizational documents of the Borrower without the written consent of Lender having been first obtained.

(j) No Lien. Borrower shall not create, incur, assume or permit any assignment, lien, pledge or other encumbrance upon the Property, any of the collateral described in this Agreement or any of the Loan Documents, or any interest or equity therein, other than to Lender and other than tax liens that are being contested in good faith and in such a manner as not jeopardize the Lender's collateral position, without Lender's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed and upon having escrowed with Lender the amount being contested in said tax lien protest.

(k) Impairment of Property. Borrower shall not permit any action to be taken that would result in any material impairment of the value of the Property.

(l) Breach of Any Contract. Borrower shall not commit any act, or suffer or permit any act to occur, that would, in any manner, constitute or give rise to a material breach of any term, covenant or condition on Borrower's part to be performed under any material contract or agreement to which Borrower is a party or by which it is bound if such breach would have a materially adverse effect on the Property, any other security for the Loan, or the financial condition of Borrower.

(m) Judgments. Borrower and Guarantor shall not permit any final judgment in excess of \$25,000.00 to be obtained against any individual, Borrower or Guarantor to remain unpaid (or, if any such judgment is appealed, to remain unbonded) for a period of thirty (30) days following the entry thereof; or, if any such judgment is affirmed on appeal, to permit the judgment to remain unpaid for a period of thirty (30) days following entry of the order affirming same.

(n) Permitted Encumbrances and Prior Liens. Borrower shall not amend, modify or permit to be modified or amended any provision of any document evidencing or creating or affecting any of the Permitted Encumbrances without Lender's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed.

(o) Loan Amount; Loan to Value Ratio . At all times during the Term, Borrower shall maintain a loan to value ratio of fifty-four percent (54%) which means that the outstanding principal balance of the Loan due, together with all unpaid interest which shall have accrued thereon, shall not exceed fifty-four percent (54%) of the fair market stabilized value of the Property. Fair market value shall be determined by Lender from time to time by reference to acceptable guides and indexes and/or appraisals or such other means as Lender, in its reasonable discretion, deems appropriate. Upon an Event of Default, a new tenant occupying any of the properties, or an increase to the Loan Amount, whereby Lender determines the loan to value ratio is greater than fifty-four

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percent (54%), Lender shall have the option, at its sole and absolute discretion, to either: (a) reduce the Loan amount to fifty-four percent (54%) of the value of the Property; or (b) require Borrower to, within ten (10) days of notice and demand by Lender, pledge such additional collateral as may be acceptable to Lender in order to maintain the required loan to value ratio. Borrower's failure to either reduce the Loan balance as necessary or satisfy Lender's demand for additional collateral acceptable to it within ten (10) days of notice having been given by Lender shall be considered a default hereunder.

(p) Real Estate Tax and Insurance Escrow. At any time after an Event of Default, the Lender may require at any time that escrow payments as to taxes, assessments and insurance be paid to it by the Borrower, during the term of the Loan. In such event, the Borrower shall pay to Lender, to the extent requested by the Lender, on dates upon which interest is payable or as otherwise directed by the Lender such amounts as Lender from time-to-time estimates is necessary to create and maintain a reserve fund from which to pay, before the same become due, all insurance premiums, taxes and governmental assessments relating to the Property. Said payments may be, at the discretion of the Lender, a monthly sum and amount equal to one-twelfth (1/12) of the estimated annual insurance premiums and taxes and assessments upon the Property, as the amount thereof is determined from time to time by Lender in its sole discretion. In the event such monthly escrow payments are insufficient to pay for said insurance premiums, taxes and assessments when due, Lender may demand of Borrower that the amount of such payments be increased and/or Lender may demand that the difference be paid to it by the Borrower, and Borrower shall immediately comply with such demands. There shall be no interest due to Borrower on such deposits. Payments from said reserve fund for said purposes may be made by the Lender at its discretion even though subsequent owners of the Premises described herein may benefit thereby. In the event of any default which is not cured within the curative period, if any, set forth herein Lender at its discretion and option may apply all or any part of said reserve fund to the indebtedness hereby secured. In refunding any part of said reserve fund, the Lender may deal with whomsoever is represented to be the owner of the Property at that time. Lender agrees to reasonably cooperate with Borrower in the event that Borrower appeals, challenges or contests in good faith the amount of taxes and assessments levied by any governmental authority on the Property.

(q) Intentionally Omitted.

(r) Publicity. Lender, in its sole discretion, shall have the right to announce and publicize relevant information with respect to the financing made pursuant to this Agreement, as it deems appropriate or desirable, by means and media selected by the Lender. Such publicity may, at Lender's discretion, include all pertinent information relating to the Loan, including, without limitation, the term, purpose, Interest Rate, Loan amount, name of Borrower and Lender and location of the Property. The form and content of the published information shall be in the sole discretion of Lender and shall be considered the sole and exclusive property of Lender. All expenses related to publicizing the financing of the Property shall be the sole responsibility of Lender.

(s) Brokers. Borrower shall indemnify Lender from and hold Lender harmless against claims of brokers arising by reason of the execution hereof or the consummation of the transactions contemplated hereby.

(t) Deposit Accounts. On the date hereof, Borrower shall establish, and during the term of the Loan and so long as any part thereof is outstanding, Borrower shall maintain, a depository account and relationship with Lender. In the event that Borrower shall fail to establish

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and/or maintain such depository account and relationship, such failure shall constitute an Event of Default.

(u) **Debt Service Coverage.** Borrower shall maintain at all times a minimum Debt Service Coverage Ratio (“**DSCR**”) of 1.50:1.00 as tested annually, beginning as of December 31, 2022, and each December 31st thereafter. If Borrower fails to maintain the DSCR as hereby required, Borrower shall promptly make payment to Lender to reduce the principal balance of the Loan to satisfy the foregoing DSCR requirement. DSCR is defined as the ratio of (a) trailing twelve months Net Operating Income before distributions to (b) the sum of actual trailing twelve-month debt service payments on all indebtedness of Borrower. For purposes of this Section, “**Net Operating Income**” is defined as net operating income and shall equal net profit before interest, income taxes, depreciation and amortization.

(v) **Miscellaneous.** Borrower (i) does not and will not own any encumbered assets other than the Property and incidental personal property related to the ownership and operation of the Property, except as expressly permitted herein, (ii) has previously disclosed the Property’s ownership, management and operation structure to Lender; (iii) other than property management agreements entered into in the ordinary course of business, has not entered and will not enter into any contract or agreement, with any partner or affiliate of Borrower without Lender’s prior written consent, which consent will not be withheld, conditioned or delayed; (iv) has not incurred and will not incur any debt, secured or unsecured, direct or contingent (including the guaranty of any obligation) without Lender’s prior written consent, other than the Loan and trade debt but only where expressly permitted by Lender or the terms of this Agreement and except as otherwise expressly permitted herein; (v) has not made and will not make any loans or advances to any third party (including any member, manager, officer, partner or affiliate of Borrower); (vi) is and will be solvent and pay its debts as they become due; (vii) will maintain books, records and bank accounts separate from those of any other person or entity (including members, managers, officers, partners and affiliates of Borrower); (viii) will be, and at all times will hold itself out to the public as, a legal entity separate and distinct from any other entity (including members, managers, officers, partners and affiliates of Borrower), (ix) will maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations; (x) will not, without Lender’s prior written consent, which consent will not be withheld, or delayed, enter into any transaction of merger or consolidation with, or acquire (by purchase or otherwise) all or substantially all of the business assets, stock or beneficial ownership of, any entity; (xi) will not commingle any funds or other assets of Borrower with those of any other person or entity (including any member, manager, officer, partner or affiliate of Borrower); (xii) will not guaranty any debt or other obligation of any third party (including any member, manager, officer, partner or affiliate of Borrower) without Lender’s prior written consent; and (xiii) will provide Lender, upon request, with copies of all leases together with all estoppels from all tenants and subordination, non-disturbance and attornment agreements from all tenants with interests in all or any portion of the Property, whether executed prior to closing or during the Term of the Loan. As used in this paragraph, each reference to one or more principals or affiliates of Borrower includes (but is not limited to) Guarantor of the Loan or any part thereof.

4. **Negative Covenants.** Borrower and Guarantor covenant and agree with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder or under any other arrangements between Borrower, Guarantor and Lender, unless Lender shall otherwise consent in writing delivered to Borrower, Borrower and Guarantor will not commit to do or fail to commit to do, any act or thing which would constitute an event of default under any of the terms or provisions hereunder or under any other agreement, mortgage, contract, indenture, document or instrument executed, or to be executed by

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it, except those that may be contested in good faith, and would not, if settled unfavorably, materially and adversely affects its financial condition.

**5. Recovery of Additional Costs.** If the imposition of or any change in any law, rule, regulation or guideline, or the interpretation or application of any thereof by any court or administrative or governmental authority (including any request or policy not having the force of law) (collectively, a “**Change in Law**”) shall impose, modify or make applicable any taxes (except federal, state or local income or franchise taxes imposed on Lender), reserve requirements, capital adequacy requirements or other obligations would (A) increase the cost to Lender for extending or maintaining the credit facilities to which this Agreement relates, (B) reduce the amounts payable to Lender under this Agreement or the Loan Documents, or (C) reduce the rate of return on Lender’s capital as a consequence of Lender’s obligations with respect to the credit facilities to which this Agreement relates, then Borrower agrees to pay Lender such additional amounts as will compensate Lender therefore, within ten (10) days after Lender’s written demand for such payment, which demand shall be accompanied by an explanation of such imposition or charge and a calculation in reasonable detail of the additional amounts payable by Borrower, which explanation and calculations shall be conclusive in the absence of manifest error. Notwithstanding the foregoing, the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender’s intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

**6. Events of Default.** The occurrence of any of the following shall constitute an “**Event of Default**” hereunder and under the Loan Documents (provided, however, that provisions relating to Guarantor shall apply only as long as such Guarantor’s Guaranty Agreement remains effective):

(a) Scheduled Payment. Borrower's failure to make any payment required by the Note or Loan Documents within ten (10) days of when due without notice or demand from Lender to Borrower; or

(b) Other Monetary Default. Borrower's failure to make any other payment required by this Agreement or by any of the other Loan Documents, within ten (10) days after written notice from Lender to Borrower, provided that Lender shall only be required to deliver such written notice to Borrower once per year during the Term; or

(c) Performance of Covenants. Borrower or Guarantor shall fail to perform or observe in any material respect any term, covenant, or agreement or shall default under any material provision contained in any Loan Document including, without limitation, the financial reporting requirements set forth in this Agreement, each of which are expressly deemed to be material, and cure is not effected within thirty (30) days after the defaulting party receives notice of such default from the Lender, provided, however, if the nature of the default is such that it is not capable of being cured within 30 days, then so long as the Borrower is actively and continuously attempting to cure such default, the Borrower shall not be deemed in default for such breach, it being the intent of the parties that the Lender shall, in such event, be entitled to pursue any or all available remedies notwithstanding that Borrower may then be current on all payments due under the Note; or

(d) Misrepresentation; Breach of Warranty. Any representation, warranty or statement made or deemed made by the Borrower or Guarantor in this Agreement and/or in any of the Loan Documents or which is contained in any guaranty, certificate, document, opinion, or financial or other statement furnished at any time under or in connection with any Loan Document

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shall prove to have been incorrect or misleading in any material respect on or as of the date made or deemed made; or

(e) Failure to Pay Other Indebtedness. Borrower or Guarantor shall: (a) fail to pay any indebtedness for borrowed money (other than indebtedness owed to the Lender), or any interest or premium thereon, when due or within any applicable grace period (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) which failure could, in the commercially reasonable judgment of the Lender, result in a material adverse effect on Borrower's or such Guarantor's financial condition, unless Borrower or such Guarantor is maintaining a good faith meritorious defense to such failure to pay, or (b) fail to perform or observe any material term, covenant, or condition on its part to be performed or observed under any agreement or instrument relating to any such indebtedness and such failure is not cured within any applicable grace period, when required to be performed or observed, if the effect of such failure of payment or to perform or observe could, in the commercially reasonable judgment of the Lender, result in a material adverse effect on Borrower's or such Guarantor's financial condition, unless Borrower or such Guarantor is maintaining a good faith meritorious defense to such failure to perform; or any such indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof resulting, in the commercially reasonable judgment of the Lender, in a material adverse effect on Borrower's or such Guarantor's financial condition; or

(f) Inability to Pay Debts; Bankruptcy. Borrower or Guarantor: (a) shall generally not, or shall be unable to, or shall admit in writing its inability to pay its debts as such debts become due; or (b) shall make an assignment for the benefits of creditors, petition or apply to any tribunal for the appointment of a custodian, receiver, or trustee for it or a substantial part of its assets; or (c) shall commence any proceeding under any bankruptcy, reorganization, arrangements, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (d) shall have any such petition or application filed or any such proceeding commenced against it in which an order for relief is entered or adjudication or appointment is made and which remains undismissed for a period of thirty (30) days or more; or (e) by any act or omission shall indicate its consent to, approval of, or acquiescence in any such petition, application, or proceeding, or order for relief, or the appointment of a custodian, receiver, or trustee for all or any substantial part of its properties; or (f) shall suffer any such custodianship, receivership, or trusteeship to continue undischarged for a period of thirty (30) days or more; or

(g) Default under Other Agreements. Any event of default after the expiration of any applicable cure period, as defined in any loan or similar agreement to which Borrower or Guarantor is now or hereafter a party or upon the occurrence of which any holder or holders of indebtedness outstanding thereunder may declare the same due and payable, shall occur including, without limitation, any default under any debt owed by Borrower or Guarantor to the Lender other than that evidenced by the Note; or

(h) Failure to Comply with Statutes, Rules and Regulations. Borrower or Guarantor shall in any material respect fail to comply with any statute, rule, regulation, ordinance, order, or other law or judicial decree applicable to Borrower or such Guarantor, its premises or assets and cure is not effected within ten (10) days after the non-compliant party receives notice of such default from the Lender; or

(i) Judgments. One or more judgments, decrees, or orders for the payment of money shall be rendered against Borrower or Guarantor and such judgments, decrees, or orders shall continue unsatisfied and in effect for a period of thirty (30) consecutive days without being vacated,

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discharged, satisfied, or stayed or bonded pending appeal resulting, in the commercially reasonable judgment of the Lender, in a material adverse effect on Borrower's or such Guarantor's financial condition; or

(j) Sale or Transfer of Property. If Borrower sells or transfers or causes the sale or transfer of all or any portion of the Property in contravention of the terms of this Agreement without Lender's prior written consent; or

(k) Other Defaults. If there shall occur, and shall thereupon continue beyond any applicable grace or curative period, any other event or circumstance that constitutes a default or Event of Default under the terms of this (i) Agreement, (ii) any of the other Loan Documents, or (iii) any document evidencing or securing any other present or future extension of credit from Lender to Borrower; or

(l) Inability to Perform Duties. If: (i) the Lender has a reasonable good faith belief that Borrower or Guarantor is unable or will soon be unable to perform its duties under the Loan Documents; or (ii) the Lender has a reasonable, good faith belief that it is insecure as it relates to the market value of the Property and the market value exceeds that permitted by Section 3(q) hereof; or

(m) Impairment of Property or Lender's Rights in Property. If the Lender has a good faith belief that the Lender's rights in the Property are or will soon be impaired or that the Property itself will soon be impaired; or

(n) Existence of Borrower; Termination of Guaranty Agreement. If: (i) the existence of Borrower shall be liquidated, dissolved or terminated, or (ii) Borrower shall suspend or terminate a substantial portion of its business operations; or (iii) a Guaranty Agreement of Guarantor pertaining to the Loan is terminated or declared by a court of competent jurisdiction to be unenforceable or such Guarantor dies; or

(o) Attachment. Except as may be otherwise expressly provided hereunder, if an attachment or any other lien (mechanic's or otherwise) against the Property shall be issued or entered and shall remain undischarged or unbonded for thirty (30) days after the filing thereof; or

(p) Levy Upon the Property. If levy is made under any process on, or a receiver be appointed for, the Property or any other property of Borrower and such is not dismissed within thirty (30) days; or

(q) Transfer of Material Assets and Accurate Financial Statements. As a material inducement to the Lender's making of the Loan, Borrower and Guarantor covenant and agree that: (i) the most recently delivered financial statements to the Lender accurately reflect all of their respective assets (the "Assets") in the amounts and percentages listed on each of their respective financial statements; (ii) the assets listed on the financial statements delivered to the Lender are directly owned by Borrower and/or Guarantor, as applicable, and if such assets are owned by a trust or another entity it is so noted; and (iii) during the remaining Term of the Loan, no material Assets shall be transferred to another person, entity or trust without the prior written consent of the Lender, which consent will not be withheld, conditioned or delayed; or

(r) Bankruptcy, Receivership, Insolvency, Etc. If Borrower or Guarantor shall commit an act of bankruptcy within the meaning of the Federal Bankruptcy Code, or if bankruptcy, receivership, insolvency, reorganization, dissolution, liquidation or other similar proceedings shall

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be instituted by or against Borrower or Guarantor for all or any part of its property under the Federal Bankruptcy Code or other law of the United States or of any state or other competent jurisdiction (domestic or foreign) and, if against Borrower or Guarantor, it shall consent thereto or shall fail to cause the same to be discharged within ninety (90) days; or

(s) Modification of Agreements. If Borrower materially modifies or amends any contract, agreement or other document in violation of any provision of this Agreement or the other Loan Documents without Lender's prior written consent; or

(t) Material Adverse Change. A material adverse change occurs in the financial condition of Borrower or Guarantor, including, but not limited to, cash flow, liquidity and net worth, loan to value limitations as set forth herein; or

(u) Guaranty. If (i) any Guaranty Agreement provided to the Lender by Guarantor shall cease to be in full force and effect, (ii) Guarantor, if a natural person, shall die or become legally incompetent, or (iii) Guarantor shall deny or disaffirm its obligations under the Guaranty Agreement executed by such Guarantor in favor of the Lender; or

(v) Post-Closing Requirements. Borrower's failure to provide to Lender and/or Lender's counsel any and all post-closing requirements, if any; or

(w) Notices by Borrower Pursuant to Florida Statutes §697.04(1)(b). If Borrower shall file for or record a notice limiting the maximum principal amount secured by the Mortgage to an amount less than the amount specified in Section 5.1 of the Mortgage; or

(x) Default under Other Obligations to Lender or its Affiliates. If a default shall occur under any obligations including, without limitation, under any promissory notes or loan documents, owed by Borrower or Guarantor to the Lender or to any affiliate of Lender and such default is not cured within any applicable cure period.

7. **Remedies Upon Default**. If an Event of Default occurs, except where otherwise provided in this Agreement or the Loan Documents, all commitments and obligations of Lender under this Agreement or the Loan Documents or any other agreement with Borrower will terminate (including any obligation to make further advances under the Loan), and, at Lender's option during the continuance of such Event of Default, all indebtedness will immediately become due and payable, all without notice of any kind to Borrower or Guarantor. In addition, Lender shall have all the rights and remedies provided in the Loan Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

8. **Intentionally Omitted**.

9. **Partial Release**. The Lender agrees to cooperate in all reasonable respects to release any of the encumbered Properties from the lien of the Mortgage, provided that:

(a) There shall exist no default or Event of Default under this Agreement or default under any of the Note, the Mortgage or the other Loan Documents;

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(b) In the event that a partial release of any of the Property would result in a loan to value percentage that is not acceptable to the Lender, Borrowers shall reduce the outstanding principal balance of the Loan to an amount necessary to restore compliance with a loan to value percentage pursuant to Section 3(o) hereof;

(c) Borrowers shall deliver to the Bank:

i. evidence that the release of Property from the lien of the Mortgage does not adversely affect the rights of any tenant under any Lease, rental income generated from any Lease or other income generated from the Property;

ii. Borrowers shall have delivered to the Lender an endorsement with regard to the Bank's existing mortgagee's title insurance policy that (i) extends the date of such title insurance policy to the effective date of the release, (ii) insures that the priority of the Mortgage is not affected, and (iii) insures the rights and benefits of any new or amended easement agreement affecting the Property;

iii. a compliance certificate executed by Borrower to establish that Borrower is in compliance with all financial covenants set forth herein and that there are no Event of Default or event that with the passage of time would constitute an Event of Default; and

iv. Borrowers shall have paid 100% of the net proceeds after payment of reasonable and customary closing costs all of the Lender's reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees and disbursements) incurred in connection with the Property and the review and approval of the documents and information required to be delivered in connection therewith, such that the loan-to-value ratio, collectively, is equal to the lower of that required in Section 3(o) or that at the time of such release. In addition, Borrowers shall have paid reasonable out-of-pocket costs and expenses of third parties relating to the release (including, without limitation, the cost of title, survey charges and recording costs, and the cost of a zoning report) incurred in connection with the release of Property.

**10. Commitment; Commitment Fee.** Borrower acknowledges that, as a condition to the execution of this Agreement and the funding of the Loan, it has paid or shall pay to Lender, a commitment fee in the amount of Sixty-Seven Thousand Five Hundred Thousand Dollars (\$67,500.00) (the "**Commitment Fee**"). Borrower expressly acknowledges and agrees that Borrower's payment of the Commitment Fee at or prior to closing is a material term hereof and that Lender would not otherwise agree to the terms of this Agreement if such Commitment Fee was not paid.

**11. Prepayment.** Borrower shall have the right to prepay all or any portion of the principal of this Note at any time without notice, premium or penalty for the privilege of such prepayment. In the event of full prepayment, all accrued interest and other charges shall be paid at the same time as full principal prepayment. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments. Any prepayments shall be applied to the last installments due under this Note.

**12. Documentary Stamp Tax.** Borrower hereby agrees to defend, indemnify, and hold Lender harmless from and against any and all liability for mortgage tax, documentary stamp taxes or intangible taxes (together with all interest, penalties, costs, and attorneys' fees incurred in connection therewith) that at any time may be levied, assessed, or imposed by any jurisdiction in which the Property lies or any other governmental entity or agency (i) upon the Note, the Mortgage, or any of the other Loan

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Documents, (ii) upon any promissory note, mortgage or other document that was amended, extended or renewed by the Note, the Mortgage or any of the other Loan Documents, (iii) upon any amendment, extension, or renewal of any of the foregoing, or (iv) upon Lender by virtue of owning or holding any of the foregoing instruments or documents; all of which shall be secured by the lien and security interest of the Loan Documents. The provisions of this Section shall survive the repayment of the Note and the satisfaction of the Mortgage and the other Loan Documents for so long as any claim may be asserted by the State of Florida or any such other governmental entity or agency.

13. **Severability.** Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision hereof shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity only, without invalidating the remainder of such provision or of the remaining provisions of this Agreement.

14. **Consent to Loan Participation.** Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchaser of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset, setoff or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

15. **Expenses; Indemnification.** The Loan shall be made without cost to Lender. Borrower covenants and agrees to pay all costs, expenses and charges, including, without limitation, all reasonable fees and charges of legal counsel, surveyors and appraisers incurred by Lender in connection with (i) the preparation for and consummation of the transactions contemplated hereby or for the performance hereof and of the other Loan Documents, and for any services which may be required in addition to those normally contemplated hereby and (ii) the enforcement hereof or of any or all of the other Loan Documents. If Borrower fails to pay promptly any costs, charges or expense required to be paid by it as aforesaid, and Lender pays such costs, charges or expenses, Borrower shall reimburse Lender on demand for the amounts so paid, together with interest thereon at the "Default Rate" (as said quoted term is defined in the Note). Borrower further agrees to indemnify Lender and its directors, officers, employees and agents from, and hold each of them harmless against, (x) any and all losses arising out of or by reason of any investigation or litigation or other proceedings (including any threatened investigation or litigation or other proceedings) relating to any actual or proposed use by Borrower of the proceeds of the Loan, including, without limitation, the fees and disbursements of counsel incurred in connection with any such investigation, litigation or other proceedings and (y) any and all claims, actions, suits, proceedings, costs, expenses, losses, damages and liabilities of any kind, including in tort, penalties and interest, arising out of or by reason of any matter relating, directly or indirectly, to the Mortgage or the ownership, condition, development, construction, sale, rental or financing of the Property or any part thereof (but excluding any such losses, liabilities, claims, damages or expenses incurred solely by reason of the gross negligence or willful misconduct of the party to be indemnified). The obligations of Borrower under this Section shall survive the repayment of all amounts due under or in connection with any of the Loan Documents and the

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If to LENDER: Valley National Bank  
Attn: Kyle Bellini  
107 South Franklin Street, Suite 200  
Tampa, Florida 33602

With copies to: Johnson, Pope, Bokor, Ruppel & Burns, LLP  
Attn: T. Luke Markham, Esq.  
401 E. Jackson Street, Suite 3100  
Tampa, FL 33602  
Email: LukeM@jpfirm.com

provided, however, that any party may change its address for purposes of receipt of any such communication by giving at least ten (10) days' written notice of such change to the other parties in the manner above prescribed. Any notice given in accordance with the above provisions shall be deemed received and effective on the date of delivery by prepaid guaranteed overnight delivery service or courier, the date of facsimile transmission or electronic mail (provided a hard copy is placed in the United States Mail, postage prepaid, or by prepaid overnight courier on the same date), or the third Business Day after the date on which it is placed in the United States Mail, postage prepaid. Borrower hereby irrevocably appoints, designates and authorizes Lender as its agent to file for record any notices that Lender deems necessary or desirable to protect its interest hereunder or under the Note or the Loan Documents, provided such actions do not further increase Borrower's obligations under the Loan. Borrower shall forward to Lender copies of all notices given or received by Borrower to or from any contractor, subcontractor, materialman or other person having a lien under the Florida Construction Lien Law, promptly upon the giving or receipt of such notice, if such notice is related to any alleged failure of Borrower to make proper payments under the Florida Construction Lien Law or is otherwise related to any claim of lien, or potential claim of lien, against the Property.

**21. Binding Effect.** This Agreement shall bind the successors and assigns of the parties hereto. It constitutes the entire understanding of the parties, and it may not be modified except in writing. Notwithstanding the foregoing, Borrower shall have no right to assign the Loan, this Agreement or the Loan Documents without Lender's prior written consent.

**22. Time is of the Essence.** It is specifically agreed that time is of the essence of this Agreement, and that no waiver of any obligation or requirement hereunder shall at any time be held to be a waiver of the terms hereof.

**23. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original.

**24. Execution.** This Agreement shall not be effective, nor shall it have any force and effect whatsoever until all the parties hereto have duly executed this Agreement.

**25. Headings.** The headings of the paragraphs contained in this Agreement are for convenience of reference only and do not form a part hereof and in no way modify, interpret or construe the meaning of the parties hereto.

*[Remainder of Page Left Intentionally Blank; Signature Pages to Follow]*

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IN WITNESS WHEREOF, this Loan Agreement has been duly executed by the parties hereto as of the date first written above.

**BORROWER:**

**GIPAZ 199 NORTH PANTANO ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPCO 585 24 ½ ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPFL 702 TILLMAN PLACE, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPFL 10002 N DALE MABRY, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPNC 201 ETHERIDGE ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPIL 3134 W 76TH STREET, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

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**GUARANTOR:**

/s/ David Sobelman  
**DAVID SOBELMAN**

**LENDER:**

**VALLEY NATIONAL BANK**, a national banking association

By: /s/ Kyle Bellini  
Name: Kyle Bellini  
Its: CRE Loan Officer

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**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

Arizona Property

Parcel 1:

Lots 4 and 6 of Broadway Pantano Center, according to the plat of record in the office of the County Recorder of Pima County, Arizona, in Book 56 of Maps, Page 84, lying within the Southeast Quarter of the Southeast Quarter of Section 8, Township 14 South, Range 15 East, of the Gila and Salt River and Meridian, Pima County, Arizona;

EXCEPT that portion of Lot 4 described as follows:

Commencing at the Northeast corner of said Lot 4, said point also being the True Point of Beginning;

Thence South  $00^{\circ} 11' 12''$  West, along the Easterly line of said Lot 4, a distance of 56.00 feet, to a point on a line lying 56.00 feet Southerly and parallel with the North line of said Lot 4;

Thence North  $89^{\circ} 46' 08''$  West, parallel with said North line of Lot 4, a distance of 34.94 feet;

Thence South  $87^{\circ} 56' 25''$  West, a distance of 100.08 feet to a point on a line lying 60.00 feet Southerly and parallel with said North line of Lot 4;

Thence North  $89^{\circ} 46' 08''$  West, parallel with said North line of Lot 4, a distance of 442.36 feet, to a point on the Westerly line of Lot 4;

Thence North  $00^{\circ} 11' 12''$  East, along the Westerly line of Lot 4, a distance of 60.00 feet to the Northwest corner of Lot 4;

Thence South  $89^{\circ} 46' 08''$  East, along the North line of said Lot 4, a recorded distance of 577.35 feet to the True Point of Beginning.

Parcel 2:

That portion of Lot 5 of Broadway Pantano Center, according to the plat of record in the office of the County Recorder of Pima County, Arizona, in Book 56 of Maps, Page 84, lying within the Southeast Quarter of the Southeast Quarter of Section 8, Township 14 South, Range 15 East, of the Gila and Salt River Meridian, Pima County, Arizona, more particularly described as follows:

Commencing at the Northwest corner of said Lot 5;

Thence South  $00^{\circ} 11' 12''$  West, along the Westerly line of said Lot 5, a distance of 56.00 feet, to the True Point of Beginning;

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Thence continuing South 00° 11' 12" West, along the Westerly line of said Lot 5, a distance of 54.79 feet;

Thence South 34° 48' 48" East, along the Westerly line of said Lot 5, a distance of 152.21 feet:

Thence leaving the Westerly line of Lot 5, North 00° 11' 12" East, a distance of 179.41 feet to a point on a line lying 56.00 feet Southerly and parallel with the North line of said Lot 5;

Thence North 89° 46' 08" West, parallel with the said North line of Lot 5, a distance of 87.31 feet, to the True Point of Beginning.

Parcel 3:

Those beneficial easements as set forth in the Reciprocal Ingress-Egress Easement Agreement recorded July 9, 2002 in Docket 11837, page 1966, records of Pima County, Arizona.

Colorado Property

Lot 1, Mesa Mall Minor Subdivision, according to the official Plat thereof, recorded in Plat Book 14 at Page 64, official records of Mesa County, Colorado.

**PARCEL TWO:**

TOGETHER WITH the benefits under the Operating Agreement and Amendments recorded March 5, 1980, in Book 1247 at Page 110, together with the First Amendment recorded June 15, 1981, in Book 1318 at Page 580, First Amendment to Supplemental Agreement recorded March 8, 1982, in Book 1360 at Page 483, the Second Amendment recorded October 5, 1982, in Book 1394 at Page 237, the Third Amendment recorded December 23, 1982, in Book 1406 at Page 723, the Fourth Amendment recorded September 5, 1984, in Book 1508 at Page 592, Fifth Amendment recorded January 10, 1997, in Book 2293 at Page 603, Sixth Amendment of Operating Agreement recorded June 3, 2004 in Book 3667 at Page 218, and Seventh Amendment of Operating Agreement recorded September 2, 2011 in Book 5195 at Page 543, County of Mesa, State of Colorado.

**PARCEL THREE:**

TOGETHER WITH the Benefits under the Reciprocal Easement and Operating Agreement recorded July 30, 1992, in Book 1914 at Page 685, County of Mesa, State of Colorado.

Florida Properties

PARCEL I

A TRACT OF LAND IN THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA, DESCRIBED AS FOLLOWS: FROM THE SOUTHEAST CORNER OF SAID SOUTHWEST

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1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, RUN WEST ALONG THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 123.65 FEET TO THE WEST RIGHT OF WAY LINE OF STATE ROAD 597 (DALE MABRY HIGHWAY); RUN THENCE N 00°19' E, A DISTANCE OF 25.0 FEET TO A POINT OF BEGINNING; FROM SAID POINT OF BEGINNING, CONTINUE N 00°19' E, ALONG SAID WEST RIGHT OF WAY LINE OF DALE MABRY HIGHWAY, PARALLEL TO AND 132.0 FEET WEST OF THE CENTERLINE OF PAVEMENT OF SAID DALE MABRY HIGHWAY, A DISTANCE OF 206.0 FEET; RUN THENCE WEST A DISTANCE OF 125.44 FEET TO A POINT 1080 FEET EAST OF THE WEST BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16; RUN THENCE S 00°06.7' W, PARALLEL TO THE WEST BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 206.0 FEET; RUN THENCE EAST, ALONG A LINE PARALLEL TO AND 25.0 FEET NORTH OF THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 124.74 FEET TO THE POINT OF BEGINNING.

LESS LANDS SHOWN IN OFFICIAL RECORDS BOOK 1232, PAGE 882 AND DESCRIBED AS FOLLOWS: PARCEL 104. SECTION 10160-2503

THAT PART OF:

COMMENCE AT THE S.E. CORNER OF THE S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, RUN THENCE WEST ALONG THE SOUTH BOUNDARY OF SAID S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16, 123.65 FEET TO THE WEST RIGHT OF WAY LINE OF S.R. 597 (DALE MABRY HIGHWAY); THENCE N 00°19' E, A DISTANCE OF 25.0 FEET TO A POINT OF BEGINNING; CONTINUE THENCE N 00°19' E, ALONG SAID WEST RIGHT OF WAY LINE 206 FEET; THENCE WEST 124.44 FEET (125.44 FEET PER DEED) TO A POINT 1080 FEET EAST OF THE WEST BOUNDARY OF SAID S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16; RUN THENCE S 00°06.7' W, PARALLEL TO THE WEST BOUNDARY OF SAID S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16, 206 FEET; THENCE EAST, ALONG A LINE PARALLEL TO AND 25.0 FEET NORTH OF THE SOUTH BOUNDARY OF SAID S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16, A DISTANCE OF 124.72 FEET TO THE POINT OF BEGINNING.

LYING WITHIN 40 FEET NORTHERLY OF A CENTER LINE OF INTERSECTION RIGHT OF WAY LEFT ON S.R. 597, SECTION 10160, SAID CENTER LINE BEING DESCRIBED AS FOLLOWS:

COMMENCE ON THE SOUTH BOUNDARY OF THE SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST (NORTH BOUNDARY OF SECTION 21, TOWNSHIP 28 SOUTH, RANGE 18 EAST) AT A POINT 8.25 FEET EAST OF THE S.E. CORNER OF THE S.W. 1/4 OF THE S.E. 1/4 OF SAID SECTION 16; RUN THENCE S 00°20'00" W, 0.91 FEET TO BEGIN CENTER LINE OF INTERSECTION RIGHT OF WAY LEFT; RUN THENCE N 89°55'50" W, 172.59 FEET TO END CENTER LINE OF INTERSECTION RIGHT OF WAY.

LESS EXISTING RIGHTS OF WAY.

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AND LESS THAT PORTION OF PROPERTY IN THAT CERTAIN STIPULATED FINAL JUDGMENT AS TO PARCEL 178 AS RECORDED IN OFFICIAL RECORDS BOOK 11650, PAGE 150, AND DESCRIBED AS FOLLOWS:

LESS THAT PART OF A TRACT OF LAND IN THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

FROM THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, RUN WEST ALONG THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 123.65 FEET TO THE WEST RIGHT OF WAY LINE OF STATE ROAD 597 (DALE MABRY HIGHWAY); RUN THENCE N 00°19' E, A DISTANCE OF 25.0 FEET TO A POINT OF BEGINNING; FROM SAID POINT OF BEGINNING, CONTINUE N 00°19' E, ALONG SAID WEST RIGHT OF WAY LINE OF DALE MABRY HIGHWAY, PARALLEL TO AND 132.0 FEET WEST OF THE CENTERLINE OF PAVEMENT OF SAID DALE MABRY HIGHWAY, A DISTANCE OF 206.0 FEET; RUN THENCE WEST A DISTANCE OF 125.44 FEET TO A POINT 1080 FEET EAST OF THE WEST BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16; RUN THENCE S 00°06.7' W, PARALLEL TO THE WEST BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 206.0 FEET; RUN THENCE EAST, ALONG A LINE PARALLEL TO AND 25.0 FEET NORTH OF THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 124.74 FEET TO THE POINT OF BEGINNING.

LESS RIGHTS OF WAY GIVEN IN OFFICIAL RECORDS BOOK 1232, PAGE 882, OF THE PUBLIC RECORDS OF HILLSBOROUGH COUNTY, FLORIDA.

LYING WITHIN THE FOLLOWING METES AND BOUNDS DESCRIPTION:

COMMENCE AT A CONCRETE MONUMENT AT THE NORTHWEST CORNER OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA, RUN THENCE ALONG THE WEST BOUNDARY OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 16, S 00°29'54" W, A DISTANCE OF 1336.07 FEET TO A NAIL AT THE SOUTHWEST CORNER OF THE SOUTHEAST 1/4 OF SAID SECTION 16; THENCE ALONG THE SOUTH BOUNDARY OF THE SOUTHEAST 1/4 OF SAID SECTION 16, S 89°44'02" E, A DISTANCE OF 1163.98 FEET; THENCE N 00°15'58" E, A DISTANCE OF 25.00 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF LINEBAUGH AVENUE AND THE POINT OF BEGINNING; THENCE ALONG THE NORTH RIGHT OF WAY LINE OF LINEBAUGH AVENUE N 89°44'02" W, A DISTANCE OF 83.79 FEET; THENCE N 00°29'54" E, A DISTANCE OF 14.14 FEET; THENCE S 89°44'02" E, A DISTANCE OF 83.79 FEET; THENCE S 00°32'58" W, A DISTANCE OF 14.14 FEET TO THE POINT OF BEGINNING.

THE ABOVE OVERALL PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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A TRACT OF LAND IN THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, THENCE ALONG THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, WEST, 123.65 FEET TO THE WEST RIGHT OF WAY LINE OF STATE ROAD 597 (DALE MABRY HIGHWAY); THENCE ALONG SAID WEST RIGHT OF WAY, N 00°19'00" E, 39.14 FEET TO A POINT OF INTERSECTION WITH THE NORTH RIGHT OF WAY LINE OF LINEBAUGH AVENUE AND THE POINT OF BEGINNING; THENCE CONTINUE ALONG SAID WEST RIGHT OF WAY LINE OF DALE MABRY HIGHWAY, N 00°19'00" E, 191.86 FEET; THENCE DEPARTING SAID WEST RIGHT OF WAY, S 89°56'16" W, 125.50 FEET; THENCE S 00°01'08" W, 191.86 FEET TO A POINT ON THE AFORESAID NORTH RIGHT OF WAY LINE OF LINEBAUGH AVENUE; THENCE ALONG SAID NORTH RIGHT OF WAY, N 89°56'09" E, 124.50 FEET TO THE POINT OF BEGINNING.

#### PARCEL II

The East 205.00 feet of Lot 1, Block 2, Walden Woods Unit 2, Phase 1, according to the Plat thereof as recorded in Plat Book 75, page 32, Public Records of Hillsborough County, Florida.

#### North Carolina Property

##### Tract One:

Unit 7100, Building Seven, of Maritime Woods Business Park, Condominium, together with an undivided 3.87 percent interest in the Common Elements appurtenant thereto, as shown on the plat and plans for such condominiums filed in Unit Ownership File No. 7, Pages 225 through 235 and subject to the Amended and Restated Declaration of Condominium for Maritime Woods Business Park Condominium filed in Book 2422 at Page 895, all together with any amendments and/or supplements thereto and all of the Dare County Public Registry.

##### Tract Two:

Unit 7200, Building Seven of Maritime Woods Business Park Condominium, together with an undivided 4.42 percent interest in the Common Elements appurtenant thereto, as shown on the plat and plans for such condominiums filed in Unit Ownership File No 7, Pages 225 through 235 and subject to the Amended and Restated Declaration of Condominium for Maritime Woods Business Park Condominium filed in Book 2422 at Page 895, all together with any amendments and/or supplements thereto and all of the Dare County Public Registry.

#### Chicago, Illinois Property

THAT PART OF THE LOTS 1 AND 2 AND THE 16 FOOT VACATED ALLEY BY ORDINANCE RECORDED MARCH 03, 1998, AS DOCUMENT 98162263 ALL IN BLOCK

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16 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS A TRACT AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SAID TRACT; THENCE SOUTH 90° 00' 00" EAST ALONG THE SOUTH LINE OF SAID TRACT 47.0 FEET TO A POINT ON THE EAST LINE OF THAT PART OF LAND TAKEN FOR HIGHWAY PURPOSES PER DOCUMENT NUMBER 12365546 ALSO BEING THE POINT OF BEGINNING; THENCE NORTH 00°02'29" EAST ALONG SAID EAST LINE 344.40 FEET; THENCE SOUTH 90°00'00" EAST 188.75 FEET; THENCE SOUTH 00°00'00" WEST 344.40 FEET TO THE SOUTH LINE OF SAID TRACT; THENCE NORTH 90°00'00" WEST ALONG SAID SOUTH LINE 189.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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**EXHIBIT "B"**  
**RENT ROLL**

## LOAN AGREEMENT

THIS LOAN AGREEMENT (the “**Agreement**”) is made and entered into as of this 1st day of April, 2022, by and among **GIPAZ 199 NORTH PANTANO ROAD, LLC**, a Delaware limited liability company (“**Tucson**”), **GIPCO 585 24 ½ ROAD, LLC**, a Delaware limited liability company (“**Grand Junction**”), **GIPFL 702 TILLMAN PLACE, LLC**, a Delaware limited liability company (“**Plant City**”), **GIPFL 10002 N DALE MABRY, LLC**, a Delaware limited liability company (“**Tampa**”), **GIPNC 201 ETHERIDGE ROAD, LLC**, a Delaware limited liability company (“**Manteo**”), and **GIPIL 3134 W 76TH STREET, LLC**, a Delaware limited liability company (“**Chicago**”) (“**Tucson**,” “**Grand Junction**,” “**Plant City**,” “**Tampa**,” “**Manteo**,” together with “**Chicago**” hereinafter collectively, the “**Borrower**”), **DAVID SOBELMAN**, individually (“**Guarantor**”), and **VALLEY NATIONAL BANK**, a national banking association, its successors and assigns (“**Lender**”).

### RECITALS

WHEREAS, contemporaneously with the execution of this Agreement, Lender is making a loan to Borrower in the principal amount of Eleven Million Four Hundred Thousand and No/100 Dollars (\$11,400,000.00), for the purpose of refinancing and/or acquiring that certain real property as hereinafter described (the “**Loan**”), to be secured by, among other things, a first lien security interest in certain real property located in Pima County, Arizona, Mesa County, Colorado, Hillsborough County, Florida, Dare County, North Carolina, and Cook County, Illinois and more particularly described on **Exhibit “A”** attached hereto (collectively, the “**Property**”).

WHEREAS, the Loan is (i) evidenced by that certain promissory note dated as of even date herewith, made by Borrower and payable to the order of Lender in the principal amount of the Loan (the “**Note**”), and (ii) secured by, among other collateral, a first priority Mortgage and Security Agreement dated as of even date herewith from Borrower to Lender (the “**Mortgage**”), encumbering the Property (the Note, the Mortgage, this Agreement and all other documents executed by Borrower and/or Guarantor or delivered to Lender in connection with the Loan being hereinafter collectively called the “**Loan Documents**”); and

WHEREAS, Borrower’s payment and performance of the Loan is guaranteed by the Guarantor pursuant to that certain Guaranty Agreement dated as of even date herewith (the “**Guaranty**”); and

WHEREAS, Lender has agreed to make and Borrower has agreed to accept the Loan, upon and subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein and for other valuable consideration, the parties covenant and agree as follows:

**1.                   Definitions.**                   For the purposes of this Agreement, the following terms shall have the following meanings:

1.1                   “Accountant” shall mean any independent certified public accountant of recognized standing selected by Borrower and reasonably acceptable to Lender.

1.2                   “Agreement” shall mean this Loan Agreement and any and all amendments, extensions, renewals, replacements, substitutions, modifications and consolidations thereof.

1.3                   “Borrower” shall have the meaning assigned such term in the Preamble to this Agreement.

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1.4 “Business Day” shall mean any day which is not a Saturday, Sunday or legal holiday in the State of Florida, on which banks are open for business in Tampa, Florida.

1.5 “Collateral” shall mean that real and/or personal property which secures repayment of the Loan Obligations as described in the Security Documents.

2. **Warranties and Representations.** Borrower and Guarantor warrant and represent to Lender as follows:

(a) Due Formation, Power and Authority. Borrower (i) is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware; (ii) has the power and authority to own property and to carry on its business in every jurisdiction in which the nature of its business or its properties make such qualification necessary; (iii) is in compliance in all material respects with all laws, regulations, ordinances and public authorities applicable to it, unless otherwise disclosed to and acknowledged by Lender in writing; and (iv) has the full power and authority to consummate the transaction contemplated herein.

(b) Organizational Documents of Borrower. The Certificate of Formation and Limited Liability Company Agreement of Borrower that have been furnished to Lender are true and complete and have not been modified or amended except by amendments of which Lender has been advised and furnished true and complete copies.

(c) Validity of Loan Documents. The execution and delivery of this Agreement and the other Loan Documents by Borrower, the performance of its obligations hereunder and thereunder, and the consummation of the transactions contemplated hereby (i) have been duly authorized by all requisite action on the part of Borrower; (ii) do not require the approval of any governmental authority; (iii) will not violate any provision of law (including, without limitation, any applicable usury law or similar law), any order or regulation of any court or other governmental authority, or any indenture, agreement or other instrument to which Borrower is a party or by which it or any of its property is bound; and (iv) will not conflict with, result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Borrower's property or assets, except as contemplated by the provisions of this Agreement. The Loan Documents constitute the legal, valid and binding obligations of Borrower and each Guarantor, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally, by equitable principles and by principles of good faith, fair dealing and reasonableness.

(d) Financial Statements. All balance sheets, statements of profit and loss, and other financial data that have been furnished to Lender with respect to Borrower or Guarantor (i) are complete and correct in all material respects; and (ii) accurately present the financial condition of Borrower and Guarantor as of the dates, and the results of their operations for the periods, for which the same have been furnished. Such balance sheets disclose all known liabilities, direct and contingent, as of their respective dates and there has been no material change in the condition of Borrower or any Guarantor, financial or otherwise, since the date of the most recent financial statements furnished to Lender with respect thereto, other than changes in the ordinary course of business, none of which changes has been materially adverse.

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(e) Other Information. All other information, reports, papers and data furnished to Lender with respect to Borrower or Guarantor are accurate, correct and complete in all material respects.

(f) Other Agreements. Borrower is not (i) a party to or bound by any agreement, other than those certain leases between Borrower and tenants as disclosed on the Rent Roll and attached hereto as **Exhibit "B"** (collectively, the "**Tenant**"), or instrument adversely affecting its present or proposed businesses, properties or assets, or its operation or condition, financial or otherwise; or (ii) in breach or default in the performance, observance or fulfillment of any material obligations, covenants or conditions set forth in any agreement or instrument to which it is a party or by which it is bound.

(g) Other Financing. Borrower does not have any outstanding financing, or any commitment to provide such financing, secured by the Property except for the Loan.

(h) Taxes. Borrower has filed all income tax returns required to have been filed by it and has paid all taxes which have become due pursuant to such returns or pursuant to any assessment received by it, and Borrower does not know of any basis for additional assessment in respect of such taxes. There are no liens against the Property for any past due taxes or for any public assessments for paving, sidewalks, curbing, sewers or any other street or off-site improvements of any kind constructed, commenced or contracted for prior to the date hereof. The Property is free from all due and unpaid water charges, sewer rents, taxes and assessments.

(i) Litigation. There is not now pending against or affecting Borrower or Guarantor, nor to the knowledge of Borrower or Guarantor is there threatened, any action, suit or proceeding at law or in equity, or by or before any governmental authority (domestic or foreign) or any administrative agency, which, if adversely determined, would impair or adversely affect the financial condition or operations of Borrower or Guarantor. Neither Borrower nor Guarantor is involved in any state or federal bankruptcy, reorganization, arrangement, insolvency proceedings, receivership or any other debtor-creditor proceeding, nor has Borrower or Guarantor made any assignment for the benefit of creditors.

(j) Title. Borrower has good and marketable title in fee simple to the Property, free and clear of any liens, charges, encumbrances, security interests and adverse claims whatsoever, except for the matters, if any, listed as exceptions in that certain Fidelity National Title Insurance Company ("**Title Agent**"), bearing Commitment Number \_\_\_\_\_, in favor of Lender, and acceptable to reasonably Lender, as amended and delivered to Lender on the date hereof and subject only to that certain written lease agreements between Borrower and Tenants (the "**Permitted Encumbrances**").

(k) Utilities. All utility services necessary for the full use and operation of the Property are available within or at the boundaries of the Property, including water supply, storm and sanitary sewer facilities, electricity and telephone facilities.

(l) Licenses, Etc. All licenses, permits, consents, approvals and authorizations to occupy the Property have been obtained and are in full force and effect, including without limitation all licenses, permits, consents, approvals and authorizations required under federal, state and/or local laws, statutes, regulations, rules, codes, ordinances and orders with respect to platting, subdivision, zoning, land use, access to public streets, curb cuts, drainage, safety, building, fire protection, water, sewer, environmental and energy matters.

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(m) Environmental Laws. All pollution control and environmental protection laws and regulations that are applicable to the Property and the use thereof have been and will be satisfied.

(n) No Event of Default. No default or Event of Default (as hereinafter defined) exists under this Agreement, the other Loan Documents, the Permitted Encumbrances (as hereinafter defined) and no event has occurred and is continuing which, with notice or the passage of time or both would constitute a default or Event of Default under any provision hereof or thereof. The consummation of the transactions hereby contemplated and performance of this Agreement and the other Loan Documents will not result in any breach of, or constitute a default under the Permitted Exceptions or any mortgage, deed of trust, lease, bank loan or credit agreement, articles of organization, corporate charter, certificate of formation, by law, operating agreement, partnership agreement or other instrument to which Borrower or Guarantor is a party or by which any of them may be bound or affected.

(o) Condition of the Property. No part of the Property is now materially damaged or injured as a result of any fire, explosion, accident, flood or other casualty.

(p) Construction Liens. No notice of commencement has been filed of record with respect to the Property, and no other act or thing has been or will be done with respect to the Property (including without limitation any construction or delivery of materials) that could, under any circumstances, give rise to the recording of any lien of a mechanic, materialman, contractor, subcontractor, laborer or any other person prior to the recording of the Mortgage.

All representations and warranties made by Borrower and Guarantor in this Agreement shall be true and correct as of the date of execution of this Agreement and have been and will be relied upon by Lender and constitute an inducement for the making and continuation of the Loan. If any representation, warranty or statement made herein or furnished to Lender is false or misleading in any material respect when made, such event shall constitute a default hereunder and under the Loan Documents.

**3. Affirmative Covenants.** Borrower and Guarantor covenant and agree with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder or under any other arrangements between Borrower and Lender, unless Lender shall otherwise consent in writing, Borrower and Guarantor (as applicable) will:

(a) Existence, Properties, Etc. Borrower shall do all things necessary to preserve and maintain in full force and effect (i) the existence and good standing of Borrower as a limited liability company or other business entity under the laws of the State of Delaware; and (ii) all qualifications or licenses, if any, required for the conduct of Borrower's business.

i) All insurance policies required under this Agreement shall be subject to Lender's reasonable approval as to insurer, amounts, form, risk coverage, deductibles, insurance and provisions relating to notices, cancellation and Lender's rights as mortgagee/loss payee. Loss payments shall be applied to the restoration, repair or replacement of the Property provided (i) no Event of Default (or any other event that, with notice or the passage of time, or both, would constitute an Event of Default) has occurred and is continuing; (ii) Borrower either (A) deposits additional monies with Lender in amounts which in Lender's reasonable judgment are sufficient to defray all costs to be incurred in excess of the loss payments to complete the restoration and all costs associated therewith, including labor, materials, architectural and design fees and expenses and contractor's fees and expenses, or (B) provides evidence satisfactory to Lender of the direct payment by Borrower of all costs to be incurred in excess of the loss payments to complete

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the restoration and all costs associated therewith, including labor, materials, architectural and design fees and expenses and contractor's fees and expenses, through direct payment to the parties providing same, all as evidenced by paid receipts and/or cancelled checks and lien waivers or releases satisfactory to Lender; (iii) Lender shall have approved a budget and cost breakdown for the restoration, together with a disbursement schedule, in detail satisfactory to Lender; and (iv) Lender determines that such Property can be restored or repaired before the maturity date of the Loan. If the conditions set forth in the preceding sentence are not met to Lender's reasonable satisfaction, the loss payments shall at Lender's discretion be applied to the payment of the principal and interest on the Note and all other indebtedness of Borrower to Lender.

(b) General Liability Insurance. Borrower shall carry or cause tenant to carry comprehensive general liability insurance with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate and with insurers reasonably acceptable to Lender and shall deliver to Lender original or certified copies of such policy or policies or certificates of such coverage as may be requested from time to time by Lender. In addition, the Borrower shall carry, on a minimum basis, the coverage that has been previously provided to the Lender.

(c) Workers' Compensation Insurance. In the event that Borrower employs any employees in connection with the Property, then Borrower shall carry workers' compensation and employer's liability insurance and pollution liability insurance covering all liability in connection with the Property under applicable workers' compensation laws and shall deliver to Lender such certificates of coverage with respect thereto as may be requested from time to time by Lender.

(d) Books and Records.

i) Borrower shall maintain full and complete books of account and other records reflecting the results of its operation of the Property in a form reasonably satisfactory to Lender, and Borrower (and Guarantor, where indicated) will furnish, or cause to be furnished to Lender:

(1) Annually, within thirty (30) calendar days of filing, Borrower and Guarantor shall provide to Lender federal tax returns or extension applications therefore (including attached schedules);

(2) Guarantor shall submit to Lender annual personal financial statements and certifications therefor in a form reasonably satisfactory to Lender no later than thirteen (13) months from the date of delivery of the last annual financial statement and certification to Lender. The Borrower shall furnish to the Lender annually the following information related to the Property: occupancy reports, delinquency reports, manager reports, accounts payable aging, quality inspection reports and any other information and/or reports reasonably requested by Lender. The Borrower and Guarantor shall provide such other financial information or statements which the Lender may request by not less than ten (10) days prior written notice from time to time, all to be in form and content satisfactory to the Lender. All financial statements must be certified by Guarantor as true, correct, and complete in all material respects and they shall be prepared in a form reasonably acceptable to Lender. Such financial statements shall include a complete description of all contingent liabilities, including, without limitation, all indebtedness guaranteed. Failure to provide any of the information required in this paragraph, following ten (10) calendar days' written notice to the Borrower, shall

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be a default under the Loan Documents. Borrower shall further covenant and agree that Lender shall have the absolute right to inspect Borrower's books and records concerning the Property on reasonable prior notice and during reasonable business hours. In addition, Borrower shall promptly, from time to time, furnish to Lender such other information regarding the operations, business, affairs and financial condition of Borrower as Lender may reasonably request. Failure to furnish the financial statements required herein or to permit inspection of books shall constitute a default by the Borrower hereunder;

ii) In addition to the foregoing, Borrower and Guarantor shall (i) promptly furnish to Lender such other financial statements and other data concerning its affairs, properties and financial condition of Borrower or Guarantor as Lender from time to time may reasonably request, (ii) promptly notify Lender of any material adverse change in financial condition of Borrower or Guarantor or in the physical condition of the Property and (iii) at Lender's option following an Event of Default, shall maintain with Lender tax and insurance escrows in separate depository accounts as selected by the Lender. At any time and from time to time, Borrower and Guarantor shall deliver or cause to be delivered to Lender such other financial data as Lender shall reasonably request with respect to the ownership and operation of the Property, and Lender shall have the right, at reasonable times and upon reasonable notice, to review Borrower's books of account and records relating to the Property, all of which shall be made available and delivered to Lender and Lender's representatives for such purpose. If such statements or balance sheets are not received within the time(s) provided, then, following written notice to Borrower, Lender shall have the right to employ independent accountants of its choice to inspect the books and other records of Borrower to obtain and/or verify the necessary information, for which Borrower agrees to make payment and hold Lender harmless from the cost and expense of same. After the occurrence of an Event of Default, Lender shall have the right, in the exercise of its sole discretion, to require the Borrower, at Borrower's sole cost and expense, cause any financial statements of Generation Income Properties, Inc., to be audited by an independent certified public accountant acceptable to Lender, and that Borrower deliver such audited financial statements to Lender in lieu of, or in addition to, the unaudited financial statements required by clause (d)(i).

(e) Notice. Borrower shall give prompt written notice to Lender of (i) any material action or proceedings related to the Property or the Loan that are instituted by or against Borrower or Guarantor in any court or by any commission or other regulatory body, or (ii) any action or proceedings instituted by or against Borrower or Guarantor, or threatened against any of them in writing, that might result in a judgment or judgments of \$25,000.00 or more, to the Borrower or Guarantor, or (iii) any other action, event or condition of any nature known to Borrower, or of which it should have knowledge, that (A) constitutes an Event of Default, or (B) would reasonably be expected to have a material adverse effect upon the business, operations, properties, assets or financial condition of Borrower or Guarantor.

(f) Performance of Obligations. Borrower shall duly pay, perform and discharge all of its obligations under this Agreement, the Note, the Mortgage and the other Loan Documents.

(g) Other Financing. Borrower shall not obtain any other financing or indebtedness (secured or unsecured), without the prior written consent of Lender, except for trade payables incurred in the ordinary course of business not exceeding \$25,000.00 per property or \$250,000.00 in the aggregate at any time. Borrower expressly acknowledges and agrees that any debt owed by

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Borrower to any of its members, managers, owners, or to the Guarantor, of any membership or ownership interests is and at all times shall be subordinate to the Loan in all respects.

(h) Transfer or Conveyance. Neither Borrower nor Guarantor shall, voluntarily or by operation of law, sell, convey, transfer or encumber, or permit to be sold, conveyed, transferred or encumbered, any interest in or any part of the Property without the written consent of Lender having been first obtained, which consent will not be unreasonably withheld, conditioned or delayed. Any prohibited transaction under this paragraph shall be null and void as to Lender.

(i) Change in Ownership. Neither Borrower nor Guarantor shall permit the creation of any new membership or ownership interest in Borrower or permit or effect any material change in the control or management of the Borrower or the Property or allow any modification or amendment in the organizational documents of the Borrower without the written consent of Lender having been first obtained.

(j) No Lien. Borrower shall not create, incur, assume or permit any assignment, lien, pledge or other encumbrance upon the Property, any of the collateral described in this Agreement or any of the Loan Documents, or any interest or equity therein, other than to Lender and other than tax liens that are being contested in good faith and in such a manner as not jeopardize the Lender's collateral position, without Lender's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed and upon having escrowed with Lender the amount being contested in said tax lien protest.

(k) Impairment of Property. Borrower shall not permit any action to be taken that would result in any material impairment of the value of the Property.

(l) Breach of Any Contract. Borrower shall not commit any act, or suffer or permit any act to occur, that would, in any manner, constitute or give rise to a material breach of any term, covenant or condition on Borrower's part to be performed under any material contract or agreement to which Borrower is a party or by which it is bound if such breach would have a materially adverse effect on the Property, any other security for the Loan, or the financial condition of Borrower.

(m) Judgments. Borrower and Guarantor shall not permit any final judgment in excess of \$25,000.00 to be obtained against any individual, Borrower or Guarantor to remain unpaid (or, if any such judgment is appealed, to remain unbonded) for a period of thirty (30) days following the entry thereof; or, if any such judgment is affirmed on appeal, to permit the judgment to remain unpaid for a period of thirty (30) days following entry of the order affirming same.

(n) Permitted Encumbrances and Prior Liens. Borrower shall not amend, modify or permit to be modified or amended any provision of any document evidencing or creating or affecting any of the Permitted Encumbrances without Lender's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed.

(o) Loan Amount; Loan to Value Ratio. At all times during the Term, Borrower shall maintain a loan to value ratio of fifty-four percent (54%) which means that the outstanding principal balance of the Loan due, together with all unpaid interest which shall have accrued thereon, shall not exceed fifty-four percent (54%) of the fair market stabilized value of the Property. Fair market value shall be determined by Lender from time to time by reference to acceptable guides and indexes and/or appraisals or such other means as Lender, in its reasonable discretion, deems appropriate. Upon an Event of Default, a new tenant occupying any of the properties, or an increase to the Loan Amount, whereby Lender determines the loan to value ratio is greater than fifty-four

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percent (54%), Lender shall have the option, at its sole and absolute discretion, to either: (a) reduce the Loan amount to fifty-four percent (54%) of the value of the Property; or (b) require Borrower to, within ten (10) days of notice and demand by Lender, pledge such additional collateral as may be acceptable to Lender in order to maintain the required loan to value ratio. Borrower's failure to either reduce the Loan balance as necessary or satisfy Lender's demand for additional collateral acceptable to it within ten (10) days of notice having been given by Lender shall be considered a default hereunder.

(p) Real Estate Tax and Insurance Escrow. At any time after an Event of Default, the Lender may require at any time that escrow payments as to taxes, assessments and insurance be paid to it by the Borrower, during the term of the Loan. In such event, the Borrower shall pay to Lender, to the extent requested by the Lender, on dates upon which interest is payable or as otherwise directed by the Lender such amounts as Lender from time-to-time estimates is necessary to create and maintain a reserve fund from which to pay, before the same become due, all insurance premiums, taxes and governmental assessments relating to the Property. Said payments may be, at the discretion of the Lender, a monthly sum and amount equal to one-twelfth (1/12) of the estimated annual insurance premiums and taxes and assessments upon the Property, as the amount thereof is determined from time to time by Lender in its sole discretion. In the event such monthly escrow payments are insufficient to pay for said insurance premiums, taxes and assessments when due, Lender may demand of Borrower that the amount of such payments be increased and/or Lender may demand that the difference be paid to it by the Borrower, and Borrower shall immediately comply with such demands. There shall be no interest due to Borrower on such deposits. Payments from said reserve fund for said purposes may be made by the Lender at its discretion even though subsequent owners of the Premises described herein may benefit thereby. In the event of any default which is not cured within the curative period, if any, set forth herein Lender at its discretion and option may apply all or any part of said reserve fund to the indebtedness hereby secured. In refunding any part of said reserve fund, the Lender may deal with whomsoever is represented to be the owner of the Property at that time. Lender agrees to reasonably cooperate with Borrower in the event that Borrower appeals, challenges or contests in good faith the amount of taxes and assessments levied by any governmental authority on the Property.

(q) Intentionally Omitted.

(r) Publicity. Lender, in its sole discretion, shall have the right to announce and publicize relevant information with respect to the financing made pursuant to this Agreement, as it deems appropriate or desirable, by means and media selected by the Lender. Such publicity may, at Lender's discretion, include all pertinent information relating to the Loan, including, without limitation, the term, purpose, Interest Rate, Loan amount, name of Borrower and Lender and location of the Property. The form and content of the published information shall be in the sole discretion of Lender and shall be considered the sole and exclusive property of Lender. All expenses related to publicizing the financing of the Property shall be the sole responsibility of Lender.

(s) Brokers. Borrower shall indemnify Lender from and hold Lender harmless against claims of brokers arising by reason of the execution hereof or the consummation of the transactions contemplated hereby.

(t) Deposit Accounts. On the date hereof, Borrower shall establish, and during the term of the Loan and so long as any part thereof is outstanding, Borrower shall maintain, a depository account and relationship with Lender. In the event that Borrower shall fail to establish

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and/or maintain such depository account and relationship, such failure shall constitute an Event of Default.

(u) **Debt Service Coverage.** Borrower shall maintain at all times a minimum Debt Service Coverage Ratio (“**DSCR**”) of 1.50:1.00 as tested annually, beginning as of December 31, 2022, and each December 31st thereafter. If Borrower fails to maintain the DSCR as hereby required, Borrower shall promptly make payment to Lender to reduce the principal balance of the Loan to satisfy the foregoing DSCR requirement. DSCR is defined as the ratio of (a) trailing twelve months Net Operating Income before distributions to (b) the sum of actual trailing twelve-month debt service payments on all indebtedness of Borrower. For purposes of this Section, “**Net Operating Income**” is defined as net operating income and shall equal net profit before interest, income taxes, depreciation and amortization.

(v) **Miscellaneous.** Borrower (i) does not and will not own any encumbered assets other than the Property and incidental personal property related to the ownership and operation of the Property, except as expressly permitted herein, (ii) has previously disclosed the Property’s ownership, management and operation structure to Lender; (iii) other than property management agreements entered into in the ordinary course of business, has not entered and will not enter into any contract or agreement, with any partner or affiliate of Borrower without Lender’s prior written consent, which consent will not be withheld, conditioned or delayed; (iv) has not incurred and will not incur any debt, secured or unsecured, direct or contingent (including the guaranty of any obligation) without Lender’s prior written consent, other than the Loan and trade debt but only where expressly permitted by Lender or the terms of this Agreement and except as otherwise expressly permitted herein; (v) has not made and will not make any loans or advances to any third party (including any member, manager, officer, partner or affiliate of Borrower); (vi) is and will be solvent and pay its debts as they become due; (vii) will maintain books, records and bank accounts separate from those of any other person or entity (including members, managers, officers, partners and affiliates of Borrower); (viii) will be, and at all times will hold itself out to the public as, a legal entity separate and distinct from any other entity (including members, managers, officers, partners and affiliates of Borrower), (ix) will maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations; (x) will not, without Lender’s prior written consent, which consent will not be withheld, or delayed, enter into any transaction of merger or consolidation with, or acquire (by purchase or otherwise) all or substantially all of the business assets, stock or beneficial ownership of, any entity; (xi) will not commingle any funds or other assets of Borrower with those of any other person or entity (including any member, manager, officer, partner or affiliate of Borrower); (xii) will not guaranty any debt or other obligation of any third party (including any member, manager, officer, partner or affiliate of Borrower) without Lender’s prior written consent; and (xiii) will provide Lender, upon request, with copies of all leases together with all estoppels from all tenants and subordination, non-disturbance and attornment agreements from all tenants with interests in all or any portion of the Property, whether executed prior to closing or during the Term of the Loan. As used in this paragraph, each reference to one or more principals or affiliates of Borrower includes (but is not limited to) Guarantor of the Loan or any part thereof.

4. **Negative Covenants.** Borrower and Guarantor covenant and agree with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder or under any other arrangements between Borrower, Guarantor and Lender, unless Lender shall otherwise consent in writing delivered to Borrower, Borrower and Guarantor will not commit to do or fail to commit to do, any act or thing which would constitute an event of default under any of the terms or provisions hereunder or under any other agreement, mortgage, contract, indenture, document or instrument executed, or to be executed by

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it, except those that may be contested in good faith, and would not, if settled unfavorably, materially and adversely affects its financial condition.

**5. Recovery of Additional Costs.** If the imposition of or any change in any law, rule, regulation or guideline, or the interpretation or application of any thereof by any court or administrative or governmental authority (including any request or policy not having the force of law) (collectively, a “**Change in Law**”) shall impose, modify or make applicable any taxes (except federal, state or local income or franchise taxes imposed on Lender), reserve requirements, capital adequacy requirements or other obligations would (A) increase the cost to Lender for extending or maintaining the credit facilities to which this Agreement relates, (B) reduce the amounts payable to Lender under this Agreement or the Loan Documents, or (C) reduce the rate of return on Lender’s capital as a consequence of Lender’s obligations with respect to the credit facilities to which this Agreement relates, then Borrower agrees to pay Lender such additional amounts as will compensate Lender therefore, within ten (10) days after Lender’s written demand for such payment, which demand shall be accompanied by an explanation of such imposition or charge and a calculation in reasonable detail of the additional amounts payable by Borrower, which explanation and calculations shall be conclusive in the absence of manifest error. Notwithstanding the foregoing, the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender’s intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

**6. Events of Default.** The occurrence of any of the following shall constitute an “**Event of Default**” hereunder and under the Loan Documents (provided, however, that provisions relating to Guarantor shall apply only as long as such Guarantor’s Guaranty Agreement remains effective):

(a) Scheduled Payment. Borrower's failure to make any payment required by the Note or Loan Documents within ten (10) days of when due without notice or demand from Lender to Borrower; or

(b) Other Monetary Default. Borrower's failure to make any other payment required by this Agreement or by any of the other Loan Documents, within ten (10) days after written notice from Lender to Borrower, provided that Lender shall only be required to deliver such written notice to Borrower once per year during the Term; or

(c) Performance of Covenants. Borrower or Guarantor shall fail to perform or observe in any material respect any term, covenant, or agreement or shall default under any material provision contained in any Loan Document including, without limitation, the financial reporting requirements set forth in this Agreement, each of which are expressly deemed to be material, and cure is not effected within thirty (30) days after the defaulting party receives notice of such default from the Lender, provided, however, if the nature of the default is such that it is not capable of being cured within 30 days, then so long as the Borrower is actively and continuously attempting to cure such default, the Borrower shall not be deemed in default for such breach, it being the intent of the parties that the Lender shall, in such event, be entitled to pursue any or all available remedies notwithstanding that Borrower may then be current on all payments due under the Note; or

(d) Misrepresentation; Breach of Warranty. Any representation, warranty or statement made or deemed made by the Borrower or Guarantor in this Agreement and/or in any of the Loan Documents or which is contained in any guaranty, certificate, document, opinion, or financial or other statement furnished at any time under or in connection with any Loan Document

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shall prove to have been incorrect or misleading in any material respect on or as of the date made or deemed made; or

(e) Failure to Pay Other Indebtedness. Borrower or Guarantor shall: (a) fail to pay any indebtedness for borrowed money (other than indebtedness owed to the Lender), or any interest or premium thereon, when due or within any applicable grace period (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) which failure could, in the commercially reasonable judgment of the Lender, result in a material adverse effect on Borrower's or such Guarantor's financial condition, unless Borrower or such Guarantor is maintaining a good faith meritorious defense to such failure to pay, or (b) fail to perform or observe any material term, covenant, or condition on its part to be performed or observed under any agreement or instrument relating to any such indebtedness and such failure is not cured within any applicable grace period, when required to be performed or observed, if the effect of such failure of payment or to perform or observe could, in the commercially reasonable judgment of the Lender, result in a material adverse effect on Borrower's or such Guarantor's financial condition, unless Borrower or such Guarantor is maintaining a good faith meritorious defense to such failure to perform; or any such indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof resulting, in the commercially reasonable judgment of the Lender, in a material adverse effect on Borrower's or such Guarantor's financial condition; or

(f) Inability to Pay Debts; Bankruptcy. Borrower or Guarantor: (a) shall generally not, or shall be unable to, or shall admit in writing its inability to pay its debts as such debts become due; or (b) shall make an assignment for the benefits of creditors, petition or apply to any tribunal for the appointment of a custodian, receiver, or trustee for it or a substantial part of its assets; or (c) shall commence any proceeding under any bankruptcy, reorganization, arrangements, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (d) shall have any such petition or application filed or any such proceeding commenced against it in which an order for relief is entered or adjudication or appointment is made and which remains undismissed for a period of thirty (30) days or more; or (e) by any act or omission shall indicate its consent to, approval of, or acquiescence in any such petition, application, or proceeding, or order for relief, or the appointment of a custodian, receiver, or trustee for all or any substantial part of its properties; or (f) shall suffer any such custodianship, receivership, or trusteeship to continue undischarged for a period of thirty (30) days or more; or

(g) Default under Other Agreements. Any event of default after the expiration of any applicable cure period, as defined in any loan or similar agreement to which Borrower or Guarantor is now or hereafter a party or upon the occurrence of which any holder or holders of indebtedness outstanding thereunder may declare the same due and payable, shall occur including, without limitation, any default under any debt owed by Borrower or Guarantor to the Lender other than that evidenced by the Note; or

(h) Failure to Comply with Statutes, Rules and Regulations. Borrower or Guarantor shall in any material respect fail to comply with any statute, rule, regulation, ordinance, order, or other law or judicial decree applicable to Borrower or such Guarantor, its premises or assets and cure is not effected within ten (10) days after the non-compliant party receives notice of such default from the Lender; or

(i) Judgments. One or more judgments, decrees, or orders for the payment of money shall be rendered against Borrower or Guarantor and such judgments, decrees, or orders shall continue unsatisfied and in effect for a period of thirty (30) consecutive days without being vacated,

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discharged, satisfied, or stayed or bonded pending appeal resulting, in the commercially reasonable judgment of the Lender, in a material adverse effect on Borrower's or such Guarantor's financial condition; or

(j) Sale or Transfer of Property. If Borrower sells or transfers or causes the sale or transfer of all or any portion of the Property in contravention of the terms of this Agreement without Lender's prior written consent; or

(k) Other Defaults. If there shall occur, and shall thereupon continue beyond any applicable grace or curative period, any other event or circumstance that constitutes a default or Event of Default under the terms of this (i) Agreement, (ii) any of the other Loan Documents, or (iii) any document evidencing or securing any other present or future extension of credit from Lender to Borrower; or

(l) Inability to Perform Duties. If: (i) the Lender has a reasonable good faith belief that Borrower or Guarantor is unable or will soon be unable to perform its duties under the Loan Documents; or (ii) the Lender has a reasonable, good faith belief that it is insecure as it relates to the market value of the Property and the market value exceeds that permitted by Section 3(q) hereof; or

(m) Impairment of Property or Lender's Rights in Property. If the Lender has a good faith belief that the Lender's rights in the Property are or will soon be impaired or that the Property itself will soon be impaired; or

(n) Existence of Borrower; Termination of Guaranty Agreement. If: (i) the existence of Borrower shall be liquidated, dissolved or terminated, or (ii) Borrower shall suspend or terminate a substantial portion of its business operations; or (iii) a Guaranty Agreement of Guarantor pertaining to the Loan is terminated or declared by a court of competent jurisdiction to be unenforceable or such Guarantor dies; or

(o) Attachment. Except as may be otherwise expressly provided hereunder, if an attachment or any other lien (mechanic's or otherwise) against the Property shall be issued or entered and shall remain undischarged or unbonded for thirty (30) days after the filing thereof; or

(p) Levy Upon the Property. If levy is made under any process on, or a receiver be appointed for, the Property or any other property of Borrower and such is not dismissed within thirty (30) days; or

(q) Transfer of Material Assets and Accurate Financial Statements. As a material inducement to the Lender's making of the Loan, Borrower and Guarantor covenant and agree that: (i) the most recently delivered financial statements to the Lender accurately reflect all of their respective assets (the "Assets") in the amounts and percentages listed on each of their respective financial statements; (ii) the assets listed on the financial statements delivered to the Lender are directly owned by Borrower and/or Guarantor, as applicable, and if such assets are owned by a trust or another entity it is so noted; and (iii) during the remaining Term of the Loan, no material Assets shall be transferred to another person, entity or trust without the prior written consent of the Lender, which consent will not be withheld, conditioned or delayed; or

(r) Bankruptcy, Receivership, Insolvency, Etc. If Borrower or Guarantor shall commit an act of bankruptcy within the meaning of the Federal Bankruptcy Code, or if bankruptcy, receivership, insolvency, reorganization, dissolution, liquidation or other similar proceedings shall

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be instituted by or against Borrower or Guarantor for all or any part of its property under the Federal Bankruptcy Code or other law of the United States or of any state or other competent jurisdiction (domestic or foreign) and, if against Borrower or Guarantor, it shall consent thereto or shall fail to cause the same to be discharged within ninety (90) days; or

(s) Modification of Agreements. If Borrower materially modifies or amends any contract, agreement or other document in violation of any provision of this Agreement or the other Loan Documents without Lender's prior written consent; or

(t) Material Adverse Change. A material adverse change occurs in the financial condition of Borrower or Guarantor, including, but not limited to, cash flow, liquidity and net worth, loan to value limitations as set forth herein; or

(u) Guaranty. If (i) any Guaranty Agreement provided to the Lender by Guarantor shall cease to be in full force and effect, (ii) Guarantor, if a natural person, shall die or become legally incompetent, or (iii) Guarantor shall deny or disaffirm its obligations under the Guaranty Agreement executed by such Guarantor in favor of the Lender; or

(v) Post-Closing Requirements. Borrower's failure to provide to Lender and/or Lender's counsel any and all post-closing requirements, if any; or

(w) Notices by Borrower Pursuant to Florida Statutes §697.04(1)(b). If Borrower shall file for or record a notice limiting the maximum principal amount secured by the Mortgage to an amount less than the amount specified in Section 5.1 of the Mortgage; or

(x) Default under Other Obligations to Lender or its Affiliates. If a default shall occur under any obligations including, without limitation, under any promissory notes or loan documents, owed by Borrower or Guarantor to the Lender or to any affiliate of Lender and such default is not cured within any applicable cure period.

7. Remedies Upon Default. If an Event of Default occurs, except where otherwise provided in this Agreement or the Loan Documents, all commitments and obligations of Lender under this Agreement or the Loan Documents or any other agreement with Borrower will terminate (including any obligation to make further advances under the Loan), and, at Lender's option during the continuance of such Event of Default, all indebtedness will immediately become due and payable, all without notice of any kind to Borrower or Guarantor. In addition, Lender shall have all the rights and remedies provided in the Loan Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

8. Intentionally Omitted.

9. Partial Release. The Lender agrees to cooperate in all reasonable respects to release any of the encumbered Properties from the lien of the Mortgage, provided that:

(a) There shall exist no default or Event of Default under this Agreement or default under any of the Note, the Mortgage or the other Loan Documents;

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(b) In the event that a partial release of any of the Property would result in a loan to value percentage that is not acceptable to the Lender, Borrowers shall reduce the outstanding principal balance of the Loan to an amount necessary to restore compliance with a loan to value percentage pursuant to Section 3(o) hereof;

(c) Borrowers shall deliver to the Bank:

i. evidence that the release of Property from the lien of the Mortgage does not adversely affect the rights of any tenant under any Lease, rental income generated from any Lease or other income generated from the Property;

ii. Borrowers shall have delivered to the Lender an endorsement with regard to the Bank's existing mortgagee's title insurance policy that (i) extends the date of such title insurance policy to the effective date of the release, (ii) insures that the priority of the Mortgage is not affected, and (iii) insures the rights and benefits of any new or amended easement agreement affecting the Property;

iii. a compliance certificate executed by Borrower to establish that Borrower is in compliance with all financial covenants set forth herein and that there are no Event of Default or event that with the passage of time would constitute an Event of Default; and

iv. Borrowers shall have paid 100% of the net proceeds after payment of reasonable and customary closing costs all of the Lender's reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees and disbursements) incurred in connection with the Property and the review and approval of the documents and information required to be delivered in connection therewith, such that the loan-to-value ratio, collectively, is equal to the lower of that required in Section 3(o) or that at the time of such release. In addition, Borrowers shall have paid reasonable out-of-pocket costs and expenses of third parties relating to the release (including, without limitation, the cost of title, survey charges and recording costs, and the cost of a zoning report) incurred in connection with the release of Property.

**10. Commitment; Commitment Fee.** Borrower acknowledges that, as a condition to the execution of this Agreement and the funding of the Loan, it has paid or shall pay to Lender, a commitment fee in the amount of Sixty-Seven Thousand Five Hundred Thousand Dollars (\$67,500.00) (the "**Commitment Fee**"). Borrower expressly acknowledges and agrees that Borrower's payment of the Commitment Fee at or prior to closing is a material term hereof and that Lender would not otherwise agree to the terms of this Agreement if such Commitment Fee was not paid.

**11. Prepayment.** Borrower shall have the right to prepay all or any portion of the principal of this Note at any time without notice, premium or penalty for the privilege of such prepayment. In the event of full prepayment, all accrued interest and other charges shall be paid at the same time as full principal prepayment. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments. Any prepayments shall be applied to the last installments due under this Note.

**12. Documentary Stamp Tax.** Borrower hereby agrees to defend, indemnify, and hold Lender harmless from and against any and all liability for mortgage tax, documentary stamp taxes or intangible taxes (together with all interest, penalties, costs, and attorneys' fees incurred in connection therewith) that at any time may be levied, assessed, or imposed by any jurisdiction in which the Property lies or any other governmental entity or agency (i) upon the Note, the Mortgage, or any of the other Loan

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Documents, (ii) upon any promissory note, mortgage or other document that was amended, extended or renewed by the Note, the Mortgage or any of the other Loan Documents, (iii) upon any amendment, extension, or renewal of any of the foregoing, or (iv) upon Lender by virtue of owning or holding any of the foregoing instruments or documents; all of which shall be secured by the lien and security interest of the Loan Documents. The provisions of this Section shall survive the repayment of the Note and the satisfaction of the Mortgage and the other Loan Documents for so long as any claim may be asserted by the State of Florida or any such other governmental entity or agency.

13. **Severability.** Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision hereof shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity only, without invalidating the remainder of such provision or of the remaining provisions of this Agreement.

14. **Consent to Loan Participation.** Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchaser of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset, setoff or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

15. **Expenses; Indemnification.** The Loan shall be made without cost to Lender. Borrower covenants and agrees to pay all costs, expenses and charges, including, without limitation, all reasonable fees and charges of legal counsel, surveyors and appraisers incurred by Lender in connection with (i) the preparation for and consummation of the transactions contemplated hereby or for the performance hereof and of the other Loan Documents, and for any services which may be required in addition to those normally contemplated hereby and (ii) the enforcement hereof or of any or all of the other Loan Documents. If Borrower fails to pay promptly any costs, charges or expense required to be paid by it as aforesaid, and Lender pays such costs, charges or expenses, Borrower shall reimburse Lender on demand for the amounts so paid, together with interest thereon at the "Default Rate" (as said quoted term is defined in the Note). Borrower further agrees to indemnify Lender and its directors, officers, employees and agents from, and hold each of them harmless against, (x) any and all losses arising out of or by reason of any investigation or litigation or other proceedings (including any threatened investigation or litigation or other proceedings) relating to any actual or proposed use by Borrower of the proceeds of the Loan, including, without limitation, the fees and disbursements of counsel incurred in connection with any such investigation, litigation or other proceedings and (y) any and all claims, actions, suits, proceedings, costs, expenses, losses, damages and liabilities of any kind, including in tort, penalties and interest, arising out of or by reason of any matter relating, directly or indirectly, to the Mortgage or the ownership, condition, development, construction, sale, rental or financing of the Property or any part thereof (but excluding any such losses, liabilities, claims, damages or expenses incurred solely by reason of the gross negligence or willful misconduct of the party to be indemnified). The obligations of Borrower under this Section shall survive the repayment of all amounts due under or in connection with any of the Loan Documents and the

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If to LENDER: Valley National Bank  
Attn: Kyle Bellini  
107 South Franklin Street, Suite 200  
Tampa, Florida 33602

With copies to: Johnson, Pope, Bokor, Ruppel & Burns, LLP  
Attn: T. Luke Markham, Esq.  
401 E. Jackson Street, Suite 3100  
Tampa, FL 33602  
Email: LukeM@jpfirm.com

provided, however, that any party may change its address for purposes of receipt of any such communication by giving at least ten (10) days' written notice of such change to the other parties in the manner above prescribed. Any notice given in accordance with the above provisions shall be deemed received and effective on the date of delivery by prepaid guaranteed overnight delivery service or courier, the date of facsimile transmission or electronic mail (provided a hard copy is placed in the United States Mail, postage prepaid, or by prepaid overnight courier on the same date), or the third Business Day after the date on which it is placed in the United States Mail, postage prepaid. Borrower hereby irrevocably appoints, designates and authorizes Lender as its agent to file for record any notices that Lender deems necessary or desirable to protect its interest hereunder or under the Note or the Loan Documents, provided such actions do not further increase Borrower's obligations under the Loan. Borrower shall forward to Lender copies of all notices given or received by Borrower to or from any contractor, subcontractor, materialman or other person having a lien under the Florida Construction Lien Law, promptly upon the giving or receipt of such notice, if such notice is related to any alleged failure of Borrower to make proper payments under the Florida Construction Lien Law or is otherwise related to any claim of lien, or potential claim of lien, against the Property.

**21. Binding Effect.** This Agreement shall bind the successors and assigns of the parties hereto. It constitutes the entire understanding of the parties, and it may not be modified except in writing. Notwithstanding the foregoing, Borrower shall have no right to assign the Loan, this Agreement or the Loan Documents without Lender's prior written consent.

**22. Time is of the Essence.** It is specifically agreed that time is of the essence of this Agreement, and that no waiver of any obligation or requirement hereunder shall at any time be held to be a waiver of the terms hereof.

**23. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original.

**24. Execution.** This Agreement shall not be effective, nor shall it have any force and effect whatsoever until all the parties hereto have duly executed this Agreement.

**25. Headings.** The headings of the paragraphs contained in this Agreement are for convenience of reference only and do not form a part hereof and in no way modify, interpret or construe the meaning of the parties hereto.

*[Remainder of Page Left Intentionally Blank; Signature Pages to Follow]*

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IN WITNESS WHEREOF, this Loan Agreement has been duly executed by the parties hereto as of the date first written above.

**BORROWER:**

**GIPAZ 199 NORTH PANTANO ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPCO 585 24 ½ ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPFL 702 TILLMAN PLACE, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPFL 10002 N DALE MABRY, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPNC 201 ETHERIDGE ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPIL 3134 W 76TH STREET, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

---



**GUARANTOR:**

/s/ David Sobelman  
**DAVID SOBELMAN**

**LENDER:**

**VALLEY NATIONAL BANK**, a national banking association

By: /s/ Kyle Bellini  
Name: Kyle Bellini  
Its: CRE Loan Officer

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**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

Arizona Property

Parcel 1:

Lots 4 and 6 of Broadway Pantano Center, according to the plat of record in the office of the County Recorder of Pima County, Arizona, in Book 56 of Maps, Page 84, lying within the Southeast Quarter of the Southeast Quarter of Section 8, Township 14 South, Range 15 East, of the Gila and Salt River and Meridian, Pima County, Arizona;

EXCEPT that portion of Lot 4 described as follows:

Commencing at the Northeast corner of said Lot 4, said point also being the True Point of Beginning;

Thence South  $00^{\circ} 11' 12''$  West, along the Easterly line of said Lot 4, a distance of 56.00 feet, to a point on a line lying 56.00 feet Southerly and parallel with the North line of said Lot 4;

Thence North  $89^{\circ} 46' 08''$  West, parallel with said North line of Lot 4, a distance of 34.94 feet;

Thence South  $87^{\circ} 56' 25''$  West, a distance of 100.08 feet to a point on a line lying 60.00 feet Southerly and parallel with said North line of Lot 4;

Thence North  $89^{\circ} 46' 08''$  West, parallel with said North line of Lot 4, a distance of 442.36 feet, to a point on the Westerly line of Lot 4;

Thence North  $00^{\circ} 11' 12''$  East, along the Westerly line of Lot 4, a distance of 60.00 feet to the Northwest corner of Lot 4;

Thence South  $89^{\circ} 46' 08''$  East, along the North line of said Lot 4, a recorded distance of 577.35 feet to the True Point of Beginning.

Parcel 2:

That portion of Lot 5 of Broadway Pantano Center, according to the plat of record in the office of the County Recorder of Pima County, Arizona, in Book 56 of Maps, Page 84, lying within the Southeast Quarter of the Southeast Quarter of Section 8, Township 14 South, Range 15 East, of the Gila and Salt River Meridian, Pima County, Arizona, more particularly described as follows:

Commencing at the Northwest corner of said Lot 5;

Thence South  $00^{\circ} 11' 12''$  West, along the Westerly line of said Lot 5, a distance of 56.00 feet, to the True Point of Beginning;

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Thence continuing South 00° 11' 12" West, along the Westerly line of said Lot 5, a distance of 54.79 feet;

Thence South 34° 48' 48" East, along the Westerly line of said Lot 5, a distance of 152.21 feet:

Thence leaving the Westerly line of Lot 5, North 00° 11' 12" East, a distance of 179.41 feet to a point on a line lying 56.00 feet Southerly and parallel with the North line of said Lot 5;

Thence North 89° 46' 08" West, parallel with the said North line of Lot 5, a distance of 87.31 feet, to the True Point of Beginning.

Parcel 3:

Those beneficial easements as set forth in the Reciprocal Ingress-Egress Easement Agreement recorded July 9, 2002 in Docket 11837, page 1966, records of Pima County, Arizona.

Colorado Property

Lot 1, Mesa Mall Minor Subdivision, according to the official Plat thereof, recorded in Plat Book 14 at Page 64, official records of Mesa County, Colorado.

**PARCEL TWO:**

TOGETHER WITH the benefits under the Operating Agreement and Amendments recorded March 5, 1980, in Book 1247 at Page 110, together with the First Amendment recorded June 15, 1981, in Book 1318 at Page 580, First Amendment to Supplemental Agreement recorded March 8, 1982, in Book 1360 at Page 483, the Second Amendment recorded October 5, 1982, in Book 1394 at Page 237, the Third Amendment recorded December 23, 1982, in Book 1406 at Page 723, the Fourth Amendment recorded September 5, 1984, in Book 1508 at Page 592, Fifth Amendment recorded January 10, 1997, in Book 2293 at Page 603, Sixth Amendment of Operating Agreement recorded June 3, 2004 in Book 3667 at Page 218, and Seventh Amendment of Operating Agreement recorded September 2, 2011 in Book 5195 at Page 543, County of Mesa, State of Colorado.

**PARCEL THREE:**

TOGETHER WITH the Benefits under the Reciprocal Easement and Operating Agreement recorded July 30, 1992, in Book 1914 at Page 685, County of Mesa, State of Colorado.

Florida Properties

PARCEL I

A TRACT OF LAND IN THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA, DESCRIBED AS FOLLOWS: FROM THE SOUTHEAST CORNER OF SAID SOUTHWEST

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1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, RUN WEST ALONG THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 123.65 FEET TO THE WEST RIGHT OF WAY LINE OF STATE ROAD 597 (DALE MABRY HIGHWAY); RUN THENCE N 00°19' E, A DISTANCE OF 25.0 FEET TO A POINT OF BEGINNING; FROM SAID POINT OF BEGINNING, CONTINUE N 00°19' E, ALONG SAID WEST RIGHT OF WAY LINE OF DALE MABRY HIGHWAY, PARALLEL TO AND 132.0 FEET WEST OF THE CENTERLINE OF PAVEMENT OF SAID DALE MABRY HIGHWAY, A DISTANCE OF 206.0 FEET; RUN THENCE WEST A DISTANCE OF 125.44 FEET TO A POINT 1080 FEET EAST OF THE WEST BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16; RUN THENCE S 00°06.7' W, PARALLEL TO THE WEST BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 206.0 FEET; RUN THENCE EAST, ALONG A LINE PARALLEL TO AND 25.0 FEET NORTH OF THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 124.74 FEET TO THE POINT OF BEGINNING.

LESS LANDS SHOWN IN OFFICIAL RECORDS BOOK 1232, PAGE 882 AND DESCRIBED AS FOLLOWS: PARCEL 104. SECTION 10160-2503

THAT PART OF:

COMMENCE AT THE S.E. CORNER OF THE S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, RUN THENCE WEST ALONG THE SOUTH BOUNDARY OF SAID S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16, 123.65 FEET TO THE WEST RIGHT OF WAY LINE OF S.R. 597 (DALE MABRY HIGHWAY); THENCE N 00°19' E, A DISTANCE OF 25.0 FEET TO A POINT OF BEGINNING; CONTINUE THENCE N 00°19' E, ALONG SAID WEST RIGHT OF WAY LINE 206 FEET; THENCE WEST 124.44 FEET (125.44 FEET PER DEED) TO A POINT 1080 FEET EAST OF THE WEST BOUNDARY OF SAID S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16; RUN THENCE S 00°06.7' W, PARALLEL TO THE WEST BOUNDARY OF SAID S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16, 206 FEET; THENCE EAST, ALONG A LINE PARALLEL TO AND 25.0 FEET NORTH OF THE SOUTH BOUNDARY OF SAID S.W. 1/4 OF THE S.E. 1/4 OF SECTION 16, A DISTANCE OF 124.72 FEET TO THE POINT OF BEGINNING.

LYING WITHIN 40 FEET NORTHERLY OF A CENTER LINE OF INTERSECTION RIGHT OF WAY LEFT ON S.R. 597, SECTION 10160, SAID CENTER LINE BEING DESCRIBED AS FOLLOWS:

COMMENCE ON THE SOUTH BOUNDARY OF THE SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST (NORTH BOUNDARY OF SECTION 21, TOWNSHIP 28 SOUTH, RANGE 18 EAST) AT A POINT 8.25 FEET EAST OF THE S.E. CORNER OF THE S.W. 1/4 OF THE S.E. 1/4 OF SAID SECTION 16; RUN THENCE S 00°20'00" W, 0.91 FEET TO BEGIN CENTER LINE OF INTERSECTION RIGHT OF WAY LEFT; RUN THENCE N 89°55'50" W, 172.59 FEET TO END CENTER LINE OF INTERSECTION RIGHT OF WAY.

LESS EXISTING RIGHTS OF WAY.

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AND LESS THAT PORTION OF PROPERTY IN THAT CERTAIN STIPULATED FINAL JUDGMENT AS TO PARCEL 178 AS RECORDED IN OFFICIAL RECORDS BOOK 11650, PAGE 150, AND DESCRIBED AS FOLLOWS:

LESS THAT PART OF A TRACT OF LAND IN THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

FROM THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, RUN WEST ALONG THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 123.65 FEET TO THE WEST RIGHT OF WAY LINE OF STATE ROAD 597 (DALE MABRY HIGHWAY); RUN THENCE N 00°19' E, A DISTANCE OF 25.0 FEET TO A POINT OF BEGINNING; FROM SAID POINT OF BEGINNING, CONTINUE N 00°19' E, ALONG SAID WEST RIGHT OF WAY LINE OF DALE MABRY HIGHWAY, PARALLEL TO AND 132.0 FEET WEST OF THE CENTERLINE OF PAVEMENT OF SAID DALE MABRY HIGHWAY, A DISTANCE OF 206.0 FEET; RUN THENCE WEST A DISTANCE OF 125.44 FEET TO A POINT 1080 FEET EAST OF THE WEST BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16; RUN THENCE S 00°06.7' W, PARALLEL TO THE WEST BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 206.0 FEET; RUN THENCE EAST, ALONG A LINE PARALLEL TO AND 25.0 FEET NORTH OF THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, A DISTANCE OF 124.74 FEET TO THE POINT OF BEGINNING.

LESS RIGHTS OF WAY GIVEN IN OFFICIAL RECORDS BOOK 1232, PAGE 882, OF THE PUBLIC RECORDS OF HILLSBOROUGH COUNTY, FLORIDA.

LYING WITHIN THE FOLLOWING METES AND BOUNDS DESCRIPTION:

COMMENCE AT A CONCRETE MONUMENT AT THE NORTHWEST CORNER OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA, RUN THENCE ALONG THE WEST BOUNDARY OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 16, S 00°29'54" W, A DISTANCE OF 1336.07 FEET TO A NAIL AT THE SOUTHWEST CORNER OF THE SOUTHEAST 1/4 OF SAID SECTION 16; THENCE ALONG THE SOUTH BOUNDARY OF THE SOUTHEAST 1/4 OF SAID SECTION 16, S 89°44'02" E, A DISTANCE OF 1163.98 FEET; THENCE N 00°15'58" E, A DISTANCE OF 25.00 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF LINEBAUGH AVENUE AND THE POINT OF BEGINNING; THENCE ALONG THE NORTH RIGHT OF WAY LINE OF LINEBAUGH AVENUE N 89°44'02" W, A DISTANCE OF 83.79 FEET; THENCE N 00°29'54" E, A DISTANCE OF 14.14 FEET; THENCE S 89°44'02" E, A DISTANCE OF 83.79 FEET; THENCE S 00°32'58" W, A DISTANCE OF 14.14 FEET TO THE POINT OF BEGINNING.

THE ABOVE OVERALL PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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A TRACT OF LAND IN THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 28 SOUTH, RANGE 18 EAST, HILLSBOROUGH COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, THENCE ALONG THE SOUTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, WEST, 123.65 FEET TO THE WEST RIGHT OF WAY LINE OF STATE ROAD 597 (DALE MABRY HIGHWAY); THENCE ALONG SAID WEST RIGHT OF WAY, N 00°19'00" E, 39.14 FEET TO A POINT OF INTERSECTION WITH THE NORTH RIGHT OF WAY LINE OF LINEBAUGH AVENUE AND THE POINT OF BEGINNING; THENCE CONTINUE ALONG SAID WEST RIGHT OF WAY LINE OF DALE MABRY HIGHWAY, N 00°19'00" E, 191.86 FEET; THENCE DEPARTING SAID WEST RIGHT OF WAY, S 89°56'16" W, 125.50 FEET; THENCE S 00°01'08" W, 191.86 FEET TO A POINT ON THE AFORESAID NORTH RIGHT OF WAY LINE OF LINEBAUGH AVENUE; THENCE ALONG SAID NORTH RIGHT OF WAY, N 89°56'09" E, 124.50 FEET TO THE POINT OF BEGINNING.

#### PARCEL II

The East 205.00 feet of Lot 1, Block 2, Walden Woods Unit 2, Phase 1, according to the Plat thereof as recorded in Plat Book 75, page 32, Public Records of Hillsborough County, Florida.

#### North Carolina Property

##### Tract One:

Unit 7100, Building Seven, of Maritime Woods Business Park, Condominium, together with an undivided 3.87 percent interest in the Common Elements appurtenant thereto, as shown on the plat and plans for such condominiums filed in Unit Ownership File No. 7, Pages 225 through 235 and subject to the Amended and Restated Declaration of Condominium for Maritime Woods Business Park Condominium filed in Book 2422 at Page 895, all together with any amendments and/or supplements thereto and all of the Dare County Public Registry.

##### Tract Two:

Unit 7200, Building Seven of Maritime Woods Business Park Condominium, together with an undivided 4.42 percent interest in the Common Elements appurtenant thereto, as shown on the plat and plans for such condominiums filed in Unit Ownership File No 7, Pages 225 through 235 and subject to the Amended and Restated Declaration of Condominium for Maritime Woods Business Park Condominium filed in Book 2422 at Page 895, all together with any amendments and/or supplements thereto and all of the Dare County Public Registry.

#### Chicago, Illinois Property

THAT PART OF THE LOTS 1 AND 2 AND THE 16 FOOT VACATED ALLEY BY ORDINANCE RECORDED MARCH 03, 1998, AS DOCUMENT 98162263 ALL IN BLOCK

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16 IN WABASH ADDITION TO CHICAGO IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, TAKEN AS A TRACT AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SAID TRACT; THENCE SOUTH 90° 00' 00" EAST ALONG THE SOUTH LINE OF SAID TRACT 47.0 FEET TO A POINT ON THE EAST LINE OF THAT PART OF LAND TAKEN FOR HIGHWAY PURPOSES PER DOCUMENT NUMBER 12365546 ALSO BEING THE POINT OF BEGINNING; THENCE NORTH 00°02'29" EAST ALONG SAID EAST LINE 344.40 FEET; THENCE SOUTH 90°00'00" EAST 188.75 FEET; THENCE SOUTH 00°00'00" WEST 344.40 FEET TO THE SOUTH LINE OF SAID TRACT; THENCE NORTH 90°00'00" WEST ALONG SAID SOUTH LINE 189.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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**EXHIBIT "B"**  
**RENT ROLL**



**THIS INSTRUMENT PREPARED BY  
AND RETURN TO:**

T. Luke Markham, Esq.  
Johnson, Pope, Bokor, Ruppel & Burns, LLP  
401 E. Jackson Street  
Suite 3100  
Tampa, Florida 33602

Space above this line for Recorder's use only

**NOTE TO RECORDING CLERK:** Documentary Stamp Tax. This Mortgage (as hereinafter defined) secures the payment of the Note in the principal amount of \$11,400,000.00. The total value of all properties securing the Note is \$20,990,000.00 and is allocated as follows:

- (i) Value of Florida Property:
  - 702 Tillman Place (Plant City, FL)\$1,710,000.00
  - 10002 North Dale Mabry Hwy (Tampa, FL)\$2,390,000.00
  - Total Value of Florida Property:\$4,100,000.00
- (ii) Value of out-of-state Property:
  - 199 and 201 North Pantano Road (Tucson, AZ) \$7,300,000.00
  - 585 24 1/2 Road (Grand Junction, CO) \$4,700,000.00
  - 3134 West 76th Street (Chicago, IL)\$3,180,000.00
  - 201B and 201C Etheridge Road (Manteo, NC) \$1,710,000.00
  - Total Value of out-of-state Property: \$16,890,000.00
- (iii) TOTAL VALUE OF ALL PROPERTY: \$20,990,000.00

Accordingly, the ratio of the value of the Florida property (\$4,100,000.00) to the total value of all property (\$20,990,000.00) securing the Note stated as a percentage is 19.53%. The percentage of value of the Florida property (19.53%) when multiplied by the principal balance of the promissory note (\$11,400,000.00) equals a tax base of \$2,226,420.00. Pursuant to Rule 12B-4.053(31)(b), Florida Administrative Code, Florida documentary stamp tax in the amount of \$7,592.60 are being paid upon the recordation of this Mortgage.

Intangibles Tax. pursuant to Florida Statute and Florida Administrative Code, nonrecurring intangible tax in the amount of \$4,338.70 is being paid upon the recordation of this Mortgage, calculated based on the ratio of the value of the Florida property to all property as indicated in Paragraph above.

**MULTI-STATE FEE AND LEASEHOLD MORTGAGE AND SECURITY AGREEMENT**

THIS MULTI-STATE FEE AND LEASEHOLD MORTGAGE AND SECURITY AGREEMENT (the "**Mortgage**") is made effective as of April 1, 2022, by **GIPAZ 199 NORTH PANTANO ROAD, LLC**, a Delaware limited liability company ("**Tucson**"), **GIPCO 585 24 1/2 ROAD, LLC**, a Delaware limited liability company ("**Grand Junction**"), **GIPFL 702 TILLMAN PLACE, LLC**, a Delaware limited liability company ("**Plant City**"), **GIPFL 10002 N DALE MABRY, LLC**, a Delaware limited liability company ("**Tampa**"), **GIPNC 201 ETHERIDGE ROAD, LLC**, a Delaware limited liability company ("**Manteo**"), and **GIPIL 3134 W 76TH STREET, LLC**, a Delaware limited liability company ("**Chicago**"), which have a collective principal address of 401 E. Jackson Street, Suite 3300, Tampa, FL 33602 ("**Tucson**," "**Grand Junction**," "**Plant City**," "**Tampa**," "**Manteo**," together with "**Chicago**")

hereinafter collectively, the “**Mortgagor(s)**” or “**Grantor**”) and **VALLEY NATIONAL BANK**, a national banking association or its successors or assigns whose address is 4790 140th Avenue N., Clearwater, Florida 33762 (hereinafter called the “**Mortgagee**” or “**Beneficiary**”) (which term when used in every instance shall include the Mortgagee’s successors and assigns), and for the benefit of the applicable trustee where required and provided for in **Exhibit “A”** attached hereto;

**WITNESSETH:**

That for valuable considerations, and also in consideration of the aggregate sums of money described in that certain Promissory Note of even date herewith in the amount of Eleven Million Four Hundred and No/100 Dollars (\$11,400,000.00) (hereinafter referred to as the “**Note**”), which may be amended from time to time and which has a natural maturity date of March 31, 2032 (the “**Maturity Date**”), the Mortgagor does grant, mortgage, bargain, sell, assign, alien, remise, release, convey, with power of sale and right of entry and possession, and confirm unto the Mortgagee (or Trustee as applicable), in fee simple, or a leasehold interest in the case of Tucson and the Tucson Property whereby Tucson has entered into that certain Land Lease dated as of January 30, 2003 (“**Ground Lease**”) between Tucson, as assignee tenant, and October 23rd Group L.L.C., an Arizona limited liability company (“**Ground Lease Landlord**”), as landlord, a mortgage, deed of trust or leasehold deed of trust upon and security interest in that certain real estate or leasehold estate, as applicable, of which the Mortgagor is now seized and possessed and in actual possession, situate in those certain counties in the States and as more particularly described in **Exhibit “A”** attached hereto and made a part hereof. Hereinafter said real estate, Ground Lease (including any and all rights to exercise options, modify, change, supplement, amend, receive payment for, or otherwise exercise the terms of the forgoing Ground Lease or any sublease thereto), buildings, improvements (including improvements to be made hereafter), furniture, fixtures and equipment herein below described and located on said real estate are sometimes each referred to a “**Premises**” or collectively referred to as the “**Premises.**”

TOGETHER with all of Mortgagor’s gas and electrical fixtures, heaters, space heaters, engines and machinery, boilers, ranges, elevators and motors, bathtubs, sinks, water closets, basins, pipes, faucets and other air conditioning, plumbing and heating fixtures, drapes, mirrors, mantles, refrigerating plants, dishwashers and appurtenances, and all building material and equipment now or hereafter delivered to the Premises and intended to be installed therein; such other goods, furnishings, equipment now or hereafter delivered to the Premises and intended to be installed therein; such other furniture, fixtures, goods, equipment, chattels and personal property as are usually furnished by landlords in the letting of all or any portion of the Premises of the character currently owned by Mortgagor (or as hereafter improved and owned by Mortgagor) and all renewals or replacements thereof or articles in substitution thereof and all of the estate, right, title and interest of the Mortgagor in and to all property of any nature whatsoever, now or hereafter situated on the Premises or intended to be used in connection with the operation thereof, all of which shall be deemed to be fixtures and an accession to the freehold and a part of the realty as between the parties hereto and all persons claiming by, through or under them and shall be deemed to be a portion of the security for the indebtedness herein mentioned and secured by this Mortgage.

TOGETHER with all and singular the rights, interests and appurtenances whatsoever, in any way belonging, relating or appertaining to any of the Premises herein above mentioned or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by the Mortgagor, including but not limited to all of Mortgagor’s sewer capacity rights, all other capacity rights, and Mortgagor’s rights under contracts, all building permits, D.O.T. driveway permits, and other permits, agreements, approvals, utility commitments, licenses and all other documents, payments, fees, impact fees, prepaid tap fees, commitment fees, deposit and sums paid affecting the Premises, and all rents, profits, issues and revenues of the Premises from time to time accruing, whether under leases or tenancies now existing or hereafter created, reserving only the right to the Mortgagor to collect the same so long as the Mortgagor is not in default hereunder and so long as the same are not subjected to garnishment levy,

attachment or lien. In addition, the Mortgagor hereby assigns, transfers and conveys to Mortgagee, its successors and assigns, all of the Mortgagor's right, title and interest in, to and under all leases now or hereafter leasing or affecting the Premises or any part thereof.

TOGETHER with all electronic chattel paper, investment property, deposit accounts, and letter of credit rights relating to the Premises now owned or hereto acquired by Mortgagor.

TOGETHER with all of Mortgagor's right, title and interest in and to the following:

- (a) All fixtures and articles of property of Mortgagor now or hereafter attached to, or used or adapted for use in the operation or maintenance of, the Premises (whether such items be leased, be owned absolutely or subject to any title retaining or security instrument, or be otherwise used or possessed), including without limitation all heating, cooling, air conditioning, ventilating, refrigerating, plumbing, generating, power/lighting, laundry, maintenance, incinerating, lifting, cleaning, fire prevention and extinguishing, security and access control, cooking, gas, electric and communication fixtures, equipment and apparatus, all engines, motors, conduits, pipes, pumps, tanks, ducts, compressors, boilers, water heaters and furnaces, all ranges, stoves, disposers, refrigerators and other appliances, all escalators and elevators, all cabinets, partitions, mantels, built-in mirrors, window shades, blinds, screens, awnings, storm doors, windows and sash, all carpeting, underpadding and draperies, all equipment, all furnishings of public spaces, halls and lobbies, and all shrubbery and plants; all of which items shall be deemed part of the real property and not severable wholly or in part without material injury to the freehold; provided, however, that personal property and trade fixtures owned or supplied by the tenants of the Premises with the right of removal at the termination of their tenancies shall not be included within the scope of this paragraph;
- (b) All present and future contracts and policies of insurance which insure the Premises or any building, structures or improvements thereon, or any such fixtures or personal property, against casualties and theft, and all monies and proceeds and rights thereto which may be or become payable by virtue of any such insurance contracts or policies;
- (c) All permits and licenses, easements, all access, air and development rights, all minerals and oil, gas and other hydrocarbon substances, all royalties, all water and water rights and all other rights, hereditaments, privileges, permits, licenses, franchises and appurtenances now or hereafter belonging in any way appertaining to the Premises;
- (d) All of the rents, revenues, issues, profits and income of the Premises, whether under leases or tenancies now existing or hereafter created, reserving only the right to the Mortgagor to collect the same so long as the Mortgagor is not in default and so long as the same are not subject to garnishment, levy, attachment or lien; and all right, title and interest of Mortgagor in and to all present and future leases and other agreements for the occupancy or use of all or any part of the Premises, and all right, title and interest of Mortgagor thereunder, including without limitation all cash or security deposits, advance rentals and deposits or payments of similar nature, and all right, title and interest of Mortgagor in and to all present and future management agreements or contracts regarding the Premises;
- (e) All general intangibles of Mortgagor relating to the development or use of the Premises, including without limitation all permits, licenses and franchises, all names under or by which the Premises may at any time be operated or known, and all rights to carry on business under any such names or any variant thereof, and all trademarks, trade names, logos and good will in any way relating to the Premises;

- (f) All shares of stock or other evidence of ownership of any part of the Premises that is owned by Mortgagor in common with others, and all documents of membership in any owners' or members' association or similar group having responsibility for managing or operating any part of the Premises;
- (g) All awards, compensation and settlements in lieu thereof made as a result of the taking by power of eminent domain of the whole or any part of the Premises, including any awards for damages sustained to the Premises for a temporary taking, change in grade of streets or taking of access; and
- (h) All products and proceeds of all of the foregoing.

TO HAVE AND TO HOLD the Premises and all parts, rights, members and appurtenances thereof, to the use, benefit and behalf of the Mortgagee, its successors and assigns in fee simple (or a leasehold interest pursuant to the Ground Lease in the case of Tucson and the Tucson Property) forever, and the Mortgagor covenants that the Mortgagor is lawfully seized and possessed of the Premises in fee simple (or a leasehold interest pursuant to the Ground Lease in the case of Tucson and the Tucson Property) and has good right to convey the same, that the same are unencumbered excepting taxes not yet due and payable, and those certain exceptions appearing on the Mortgagee's Title Insurance Policy given in connection herewith and specifically approved by Mortgagee, and that the Mortgagor will warrant and defend the title thereto against the claims of all persons whomsoever, except as hereinafter expressly provided.

This Mortgage is given to secure payment and performance of all of the obligations under (i) the Note, pursuant to the terms and conditions of the Note, together with all interest accrued thereon, and together with any and all modifications, renewals and/or extensions thereof, (ii) that certain Loan Agreement of even date herewith executed by Mortgagor and Mortgagee and as may be amended from time to time (the "**Loan Agreement**"), and (iii) and all other documents evidencing or relating to the indebtedness under the Note and/or securing the Note.

The Mortgagor covenants with the Mortgagee as follows:

#### **ARTICLE 1**

**1.1. Payment of Indebtedness.** The Mortgagor will pay the Note according to the tenor thereof and all other sums secured hereby promptly as the same shall become due.

**1.2. Monthly Deposits.** At Mortgagee's option following a default of this Mortgage or a default under the Loan Documents (as hereinafter defined) after the expiration of all applicable notice and opportunity to cure provisions herein or therein, Mortgagor will deposit with the Mortgagee a sum which, in the estimation of the Mortgagee, shall be equal to one-twelfth of the annual taxes, assessments and insurance premiums due in connection with the ownership of the Premises. The deposits shall be held by Mortgagee in a separate accounts (and not commingled with any other funds of Mortgagee) free of interest, and free of any liens or claims on the part of creditors of the Mortgagor and as part of the security of the Mortgagee, and shall be used by the Mortgagee to pay current taxes, assessments and insurance premiums on each Premises as the same accrue and are payable. The deposits shall not be, nor be deemed to be, trust funds. If the deposits are insufficient to pay the taxes, assessments and insurance premiums in full as the same become payable, the Mortgagor will deposit with the Mortgagee such additional sum or sums as may be required in order for the Mortgagee to pay such taxes and assessments in full. Upon any default hereunder or under the Note or Loan Documents, which default is not cured during any applicable notice and cure period, the Mortgagee may, at its option, apply any money in the fund resulting from the deposits to the payment of the indebtedness secured hereby in such manner as it may elect. In the event that there

is a shortfall in the funds needed to satisfy the taxes and insurance premiums referred herein, Mortgagor shall pay, within ten (10) calendar days' notice of such deficiency, all sums required by Mortgagee to ensure the payment of the taxes, assessments and insurance premiums.

**1.3. Taxes, Liens and Other Charges.**

- (a) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of debts secured by mortgages or the manner of collecting taxes so as to affect adversely the Mortgagee, the Mortgagor will promptly pay any such tax; if the Mortgagor fails to make such prompt payment or if any such state, federal, municipal or other governmental law, order, rule or regulation prohibits the Mortgagor from making such payment or would penalize the Mortgagee from making such payment or would penalize the Mortgagee if the Mortgagor makes such payment, then the entire balance of the principal sum secured by this Mortgage and all interest accrued thereon shall, without notice, immediately become due and payable at the option of the Mortgagee.
- (b) The Mortgagor will pay, before the same become delinquent, all taxes, liens, assessments and charges of every character already levied or assessed or that may hereafter be levied or assessed upon or against each Premises and all utility charges, whether public or private; and upon demand will furnish to the Mortgagee receipted bills evidencing such payment.
- (c) The Mortgagor will not suffer any mechanic's, materialmen's, laborer's, statutory or other lien which might or could be prior to or equal to the security interest and mortgage liens of this Mortgage to be created or to remain outstanding upon any part of the Premises.
- (d) Mortgagor, at its expense, may contest, after prior written notice to Mortgagee, by appropriate legal proceedings conducted in good faith and with due diligence, the amount, validity or application, in whole or in part, of any taxes, liens, assessments or charges levied or assessed upon the Premises or any mechanic's, materialmen's, laborer's, statutory or other lien filed against the Premises, so long as such proceedings operate to prevent the collection or other realization thereon and the sale or forfeiture of the Premises or any part thereof to satisfy the same or the impairment of Mortgagee's lien; provided that (i) during such contest Mortgagor shall, at the option of Mortgagee, provide Mortgagee with security reasonably satisfactory to Mortgagee, assuring the payment of the Indebtedness and of any additional interest, charge, penalty or expense arising from or incurred as a result of such contest, and (ii) if at any time Mortgagee reasonably determines that the payment of any obligation imposed upon Mortgagor under this Paragraph 1.3 shall become necessary to prevent either the sale or forfeiture of the Premises or any part thereof to satisfy the same or the imposition of any liability on Mortgagee, then Mortgagor shall immediately pay the same.

**1.4. Insurance.** Mortgagor shall maintain or caused to be maintained the following insurance on each Premises:

- (a) Hazard/Liability/Windstorm. General liability and excess liability insurance, providing hazard, windstorm, fire, casualty, machine and boiler, business interruption, terrorism, liability, and theft coverage and such other hazards and contingencies as Mortgagee may reasonably require from time to time and with a replacement cost endorsements, loss of rents endorsement and such other endorsements as Mortgagee may require from time to time, all in such form, amount and with self-retentions, reasonably satisfactory to Mortgagee, and naming Mortgagee as an additional insured covering Mortgagee's interest in each Premises. In addition, during any period of construction,

Mortgagor shall cause the policy evidencing such fire and extended coverage insurance for each Premises to be in the so called "Builder's Risk 100% Completed Value Non-Reporting" form.

- (b) Flood. If required by Mortgagee and to the extent such Premises is in a flood zone, Mortgagor shall provide evidence of flood insurance which shall be in an amount equal to the maximum insurable value of any vertical improvements.
- (c) Public Liability. Public liability insurance insuring against all claims for personal or bodily injury, death or property damage occurring upon, in or about each Premises with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate and with insurers and in a form acceptable to Mortgagee.
- (d) General Requirements. All such insurance at all times will be in an insurance company or companies with coverages and terms reasonably acceptable to the Mortgagee, with loss, if any, payable to the Mortgagee as its interest may appear, pursuant to a noncontributory mortgagee clause which shall be satisfactory to the Mortgagee and addressed to: Valley National Bank, ISAOA/ATIMA, Insurance Center, PO Box 17540, Clearwater, Florida 33762. All policies shall provide that they will not be materially modified or canceled without thirty (30) days' prior written notice to Mortgagee. Upon the issuance of such policies the Mortgagor will deliver to the Mortgagee receipts for the premiums paid thereon and original or certified copies of such policies or certificates of insurance, as reasonably required by Mortgagee. Any policies furnished to the Mortgagee shall become its property in the event the Mortgagee becomes the owner of the Premises by foreclosure or otherwise. From and after a default hereunder (after the expiration of applicable notice and opportunity to cure provisions) the Mortgagee is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies on the Premises, and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses directly to the Mortgagee. In case of loss under any such policy of insurance, the Mortgagee may apply the net proceeds to the payment of the indebtedness hereby secured, whether due or not until the indebtedness is fully paid and provided further that Mortgagee has no further obligations under the Loan Documents (as hereinafter defined), the remainder shall go to the Mortgagor. Notwithstanding the foregoing, provided an Event of Default under the Loan Documents has not occurred, the Mortgage remains in full force and effect, and either (i) the insurance proceeds are sufficient to fully restore or repair the improvements in accordance with the original plans and specifications approved by Mortgagee, or (ii) Mortgagor deposits an amount with Mortgagee sufficient to compensate for any deficiency in the insurance proceeds necessary to fully restore and repair the improvements, then the insurance proceeds from a casualty shall be made available to Mortgagor in order to restore the improvements. In addition, Mortgagor shall carry, on a minimum basis, the coverage that has been previously provided to the Mortgagee.

**1.5. Care of Premises**

- (a) The Mortgagor will keep the improvements now or hereafter erected on the Premises in good condition and repair, will not commit or suffer any material waste and will not do or suffer to be done anything which will increase the risk of fire or other hazard to the Premises or any part thereof.
- (b) The Mortgagor will not remove or demolish nor materially alter the design or structural character of any building (now or hereafter erected), fixture or chattel which is part of the security or other part of the Premises without the prior written consent of the Mortgagee, which consent shall not be unreasonably withheld, conditioned or delayed, or except as otherwise specifically provided in the Loan Documents.

- (c) If the Premises or any part thereof is damaged by fire or any other cause, the Mortgagor will give immediate written notice of the same to the Mortgagee.
- (d) The Mortgagee or its representative is hereby authorized to enter upon and inspect the Premises at any time during normal business hours upon reasonable prior notice.
- (e) The Mortgagor will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Premises or any part thereof including, but not limited to, the Americans with Disabilities Acts of 1990 (“**ADA**”). Mortgagor covenants, warrants and agrees, that during the term of this Mortgage and so long as any amounts due under the Loan remain unpaid, Mortgagor will indemnify and hold harmless Mortgagee for any violation of the ADA and the rules promulgated thereof and pertaining to any existing improvements and any new improvements, renovations, remodel, or repair.
- (f) If all or any part of the Premises shall be damaged by fire or other casualty, the Mortgagor will, upon request of the Mortgagee and Mortgagee’s release of insurance proceeds to Mortgagor, promptly restore the Premises to the equivalent of its condition immediately prior to such damage, and if a part of the Premises shall be damaged through condemnation, the Mortgagor will, upon request of Mortgagee, and Mortgagee’s release of condemnation proceeds to Mortgagor promptly restore, repair or alter the remaining part of the Premises in a manner satisfactory to the Mortgagee. Provided, however, that if tenant leases do not require restoration and/or repair, but instead, Mortgagor may, at its option, cause damaged improvements to be razed and the land to be leveled, cleared and otherwise put in good order.

**1.6. Further Assurances: Modifications.** At any time, and from time to time, upon request by the Mortgagee, the Mortgagor will make, execute and deliver or cause to be made, executed and delivered, to the Mortgagee, any and all other further instruments, certificates and other documents as may, in the reasonable opinion of the Mortgagee, be necessary or desirable in order to effectuate, complete, or perfect or to continue and preserve (i) the obligations of the Mortgagor under the Note, (ii) the security interest of this Mortgage, and (iii) the mortgage lien hereunder. Upon the occurrence of an Event of Default not cured within any applicable cure period, the Mortgagee may make, execute and record any and all such instruments, certificates and documents for and in the name of the Mortgagor and the Mortgagor hereby irrevocably appoints the Mortgagee the agent and the attorney in fact of the Mortgagor so to do.

**1.7. Leases Affecting the Premises.** The Mortgagor shall perform all covenants to be performed by it under any and all leases now or hereafter on the Premises or any part thereof. Upon request of the Mortgagee, the Mortgagor shall, by written instrument in form and substance satisfactory to the Mortgagee, collaterally assign to the Mortgagee its interest in each and every lease hereafter entered into by the Mortgagor leasing all or any part of the Premises. The terms “lease” and “leases” as used in this Paragraph 1.7 shall include all tenancies.

1.7.1 **No Merger of Fee And Leasehold Estates; Releases.** So long as any portion of the indebtedness shall remain unpaid, unless Mortgagee shall otherwise consent, the fee title to the Tucson Property and the Leasehold Estate shall not merge but shall always be kept separate and distinct, notwithstanding the union of such estates in Mortgagor, Ground Lease Landlord, or in any other person by purchase, operation of law or otherwise.

1.7.2 **Mortgagor’s Acquisition Of Fee Estate.** In the event that Mortgagor, so long as any portion of the indebtedness remains unpaid, shall be the owner and holder of the fee title to the Tucson Property (“**Land**”) or any right and/or option to purchase fee title to the Land, the lien of this Security Instrument shall be spread to cover Mortgagor’s fee title to the Land and any right and/or option to purchase

fee title to the Tucson Property and said fee title and any right and/or option to purchase fee title shall be deemed to be included in the Tucson Property. Mortgagor agrees, at its sole cost and expense, including without limitation, Mortgagee's reasonable attorney's fees, to ( i) execute any and all documents or instruments necessary to subject its fee title to the Land and any right and/or option to purchase fee title to the Tucson Property to the lien of this Security Instrument; and (ii) provide a title insurance policy which shall insure that the lien of this Security Instrument is a first lien on Mortgagor's fee title to the Land and any right and/or option to purchase fee title to the Land.

1.7.3 **Bankruptcy.** (a) Subject to the terms of the Loan Agreement, Mortgagor shall not, in any event, including the bankruptcy, reorganization or insolvency of Mortgagor or Ground Lease Landlord, (i) surrender its leasehold estate, or any portion thereof, nor terminate, cancel or acquiesce in the rejection of the Ground Lease; or (ii) modify, change, supplement, alter or amend the Ground Lease in any respect, either orally or in writing. Subject to the terms of the Loan Agreement, Mortgagor does hereby expressly release, assign, relinquish and surrender unto Mortgagee all its right, power and authority to terminate, cancel, acquiesce in the rejection of, modify, change, supplement, alter or amend the Ground Lease in any respect, either orally or in writing, at any time, including in the event of the bankruptcy, reorganization or insolvency of Mortgagor or Ground Lease Landlord under the Ground Lease, and any attempt on the part of Mortgagor to exercise any such right without the consent of Mortgagee shall be null and void. Notwithstanding the foregoing, in the event of a threatened termination of the Ground Lease due to the bankruptcy, reorganization or insolvency of Mortgagor, Mortgagor shall, at Mortgagee's election, absolutely assign to Mortgagee, in lieu of such termination, all of Mortgagor's right, title and interest in and to the Ground Lease.

(b) In the event the Ground Lease is rejected by Ground Lease Landlord, as debtor in possession, or by a trustee for Ground Lease Landlord, pursuant to Section 365 of the Bankruptcy Code, Mortgagor shall not exercise its right to elect under Section 365(h)(1) of the Bankruptcy Code to terminate or treat the Ground Lease as terminated. Any such election made shall be null and void. In any event, Mortgagor hereby waives, for the benefit of Mortgagee, its successors and assigns only, and not enforceable by anyone else, the provisions of Section 365 of the Bankruptcy Code, or of any statute or rule of law now or hereafter in effect which gives or purports to give Mortgagor any right of election to terminate the Ground Lease, to acquiesce in the termination of the Ground Lease or to surrender possession of the Property in the event of the bankruptcy, reorganization or insolvency of Mortgagor or any other party including, without limitation, Ground Lease Landlord.

1.8. **Expenses.** In addition to the expenses described in subparagraph 2.6(b) hereof, the Mortgagor will pay or reimburse the Mortgagee for all reasonable attorneys' fees, costs and expenses, including those in connection with appellate proceedings, incurred by the Mortgagee in any proceedings involving the estate of a deceased or insolvent guarantor, or in any action, legal proceeding or dispute of any kind in which the Mortgagee is a plaintiff or defendant, arising in connection with the indebtedness secured hereby, this Mortgage or the interest created herein, or the Premises, including but not limited to the exercise of the power of sale of this Mortgage, any condemnation action involving the Premises or any action to protect the security hereof; and any such amounts paid by the Mortgagee shall be secured by this Mortgage.

1.9. **Amounts Secured.** All amounts due and owing to the Mortgagee pursuant to the Note, Mortgage or any other Loan Document shall be secured by the lien of this Mortgage.

1.10. **Subrogation.** The Mortgagee shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the indebtedness secured hereby.

1.11. **Performance by Mortgagee of Defaults by Mortgagor.** If the Mortgagor shall default in the payment of any tax, lien, assessment or charge levied or assessed against the Premises; in the payment of



any utility charge, whether public or private; in the payment of any insurance premium; in the procurement of insurance coverage and the delivery of the insurance policies required hereunder; in the performance of any covenant, term or condition of any leases affecting all or any part of the Premises; or in the performance or observance of any covenant, condition or term of this Mortgage; then the Mortgagee, at its option, may perform or observe the same, and all payments made or costs incurred by the Mortgagee in connection therewith, shall be secured hereby and shall be, within ten (10) days following written notice to Mortgagor, repaid by the Mortgagor to the Mortgagee with interest thereon at the default rate as provided in the Note. The Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or any part thereof for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to the Mortgagor or any other person in possession holding under the Mortgagor.

**1.12. Condemnation.** If all or any part of the Premises shall be damaged or taken through condemnation (which term when used in this Mortgage shall include any damage or taking by any governmental authority and any transfer by private sale in lieu thereof), either temporarily or permanently, which taking in Mortgagee's sole discretion will result in a material impairment to the security granted to Mortgagee, then the entire indebtedness secured hereby shall, at the option of the Mortgagee (provided, however, Mortgagee agrees that so long as the taking does not affect any of the improvements of the Premises, Mortgagee's determination shall be in its reasonable discretion), become immediately due and payable. The Mortgagee shall be entitled to all compensation, awards, and other payments or relief thereof and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or the Mortgagor's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. All such compensation, awards, damages, claims, rights of action and proceeds and the right thereto are hereby assigned by the Mortgagor to the Mortgagee, who after deducting therefrom all its expenses, including attorneys' fees, shall release any monies so received by it without affecting this Mortgage and may apply the same in such manner as the Mortgagee shall determine, to the reduction of the sum secured hereby and any balance of such monies then remaining shall be paid to the Mortgagor. The Mortgagor agrees to execute such further assignment of any compensation, awards, damages, claims, rights of action and proceeds as the Mortgagee may require.

**1.13. Financial Statements and Reports.** Mortgagor, and all associated guarantors of the obligations contained in the Loan Documents, shall submit to Mortgagee copies of filed tax returns (including attached schedules) within thirty (30) calendar days of filing. All individual guarantors shall also submit to Mortgagee annual personal financial statements in a form reasonably satisfactory to Mortgagee within thirteen (13) months of the preceding personal financial statement throughout the term of the loan evidenced by the Note. The Mortgagor shall furnish to the Mortgagee the following information related to the Premises: occupancy reports, delinquency reports, manager reports, rent rolls, accounts payable aging and any other information and or reports as reasonably requested by Mortgagee. The Mortgagor shall provide such other financial information or statements which the Mortgagee may reasonably request by not less than ten (10) days prior written notice from time to time, all to be in form and content reasonably satisfactory to the Mortgagee. All financial statements must be certified by the Mortgagor as correct and complete in all material respects and they shall be prepared in a form acceptable to Mortgagee. Such financial statements shall include a complete description of all contingent liabilities, including, without limitation, all indebtedness guaranteed. Failure to provide any of the information required in this paragraph, following ten (10) calendar days' written notice to Mortgagor, shall be a default under the Loan Documents. Mortgagor shall further covenant and agree that Mortgagee shall have the absolute right to inspect Mortgagor's books and records concerning each Premises on reasonable prior notice and during reasonable business hours. In addition, Mortgagor shall promptly, from time to time, furnish to Mortgagee such other information regarding the operations, business, affairs and financial condition of Mortgagor as Mortgagee may reasonably request. Failure to furnish the financial statements required herein or to permit inspection of books shall constitute a default by the Mortgagor hereunder. If the Mortgagee requires

additional information beyond what is required by this paragraph, then Mortgagee shall give the Mortgagor a ten (10) day notice of Mortgagor's requirement to provide such information.

**1.14. Environmental Condition of Premises.** Mortgagor, warrants and represents to Mortgagee that to the best of Mortgagor's knowledge and except as to those matters (if any) set forth in the Environmental Reports:

- (a) Each Premises is now and at all times hereafter will continue to be in full compliance with all federal, state and local environmental laws and regulations, including but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), the Federal Water Pollution and Control Act, the Federal Clean Water Act, the National Environmental Policy Act, the Resource Conservation and Recovery Act of 1976 ("RCRA"), the Hazardous Material Transportation Act, the Federal Clean Air Act, Chapters 376 ("Pollutant Discharge Prevention and Removal"), 377 ("Energy Resources"), and 403 ("Environmental Control") or any applicable administrative code or statute in the state where the Property is located (hereinafter together with any amendments thereto "Environmental Laws");
- (b) As of the date hereof there are no hazardous materials, substances, wastes or other environmentally regulated substances (including without limitation, asbestos, polychlorinated biphenyls ("PCB's"), petroleum products, waste oils, toxic or radioactive materials, ammonia, chlorine, pesticides, bulk chemicals, substances listed in the United States Department of Transportation Table or by the Environmental Protection Agency (or any successor agency) as hazardous substances, or which are classified as hazardous or toxic under local, state or federal laws, rules or regulations) ("Hazardous Substances") located on, in or under each Premises or used in connection therewith in violation of any applicable Environmental Laws;
- (c) The Premises is not on any Hazardous Substance cleanup list of any governmental authority;
- (d) Mortgagor has not received a summons, citation, directive, letter or other communication, written or oral, from any governmental authority including, but not limited to any agency or department of the State where the Property is located or the United States government nor has any action ever been commenced or threatened by any governmental authority concerning any intentional or unintentional action or omission on Mortgagor's part which resulted in the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping of Hazardous Substances into or onto the Premises;
- (e) The Premises has never been used by Mortgagor, to generate, manufacture, refine, transport, treat, store, handle or dispose of Hazardous Substances, and Mortgagor does not intend to use any part of the Premises, for such purposes;
- (f) No part of the Premises or any building, structure or facility currently located thereon or improvement thereto contain or contained asbestos or have or have had asbestos containing materials installed thereon or therein at any time during or prior to Mortgagor's ownership or operation thereof;
- (g) No part of the Premises nor any building, structure or facility currently located thereon or improvement thereto contain or contained PCB's or have or have had electrical transformers, fluorescent light fixtures, ballasts or other equipment containing PCB's installed thereon or therein at any time during or prior to Mortgagor's ownership or operation thereof;

- (h) No part of the Premises has nor any building, structure or facility currently located thereon or improvement thereto are or have been used as a sanitary landfill, and no Hazardous Substances have been buried, spilled or disposed of on or within the boundaries of the Premises, at any time during or prior to Mortgagor's ownership or operation thereof; and
- (i) There is no occurrence or condition on any real property adjoining the Premises that could cause the Premises or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Premises under any Environmental Laws.

## ARTICLE 2

**2.1. Due on Sale or Further Encumbrance Clause.** In determining whether or not to make the loan secured hereby, Mortgagee examined the credit-worthiness of Mortgagor, found it acceptable and relied and continues to rely upon same as the means of repayment of the loan. Mortgagee also evaluated the background and experience of Mortgagor in owning and operating property such as the Premises, found it acceptable and relied and continues to rely upon same as the means of maintaining the value of each Premises which is Mortgagee's security for the loan. Mortgagor is a business person or entity well-experienced in borrowing money and owning and operating property such as the Premises, and bargained at arm's length and without duress of any kind for all of the terms and conditions of the loan, including this provision. Mortgagor further recognizes that any secondary or junior financing placed upon the Premises (a) may divert funds which would otherwise be used to pay the Note secured hereby; (b) could result in acceleration and foreclosure by any such junior encumbrance which would force Mortgagee to take measures and incur expenses to protect its security; (c) would detract from the value of the Premises should Mortgagee come into possession thereof with the intention of selling same; and (d) impair Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear the title to the Premises.

In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security both of repayment by Mortgagor and the value of the Premises; (ii) giving Mortgagee the full benefit of its bargain and contract with Mortgagor; and (iii) keeping the Premises free of subordinate financing liens, Mortgagor agrees that if this paragraph be deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein (whether voluntarily or by operation of law) without the Mortgagee's prior written consent, which will not be unreasonably withheld, conditioned or delayed provided that Mortgagee shall be paid all sums due and owing under the Loan Documents, shall be an Event of Default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an Event of Default hereunder:

- (a) any sale, conveyance, assignment, or other transfer of or the grant of a security interest in, all or any part of the title to the Premises, except with Mortgagee's consent not be unreasonably withheld, conditioned or delayed provided that Mortgagee shall be paid all sums due and owing under the Loan Documents;
- (b) any new or additional encumbrances, secured financing or secured liabilities with respect to the Premises, without the prior written consent of Mortgagee;
- (c) any unsecured financings or liabilities of Mortgagor or any guarantor made or incurred without the prior written consent of Mortgagee, except trade payables as incurred in the ordinary course of business; provided, however, that such trade payables shall not at any time exceed \$25,000.00 per property without the prior written consent of Mortgagee; and

- (d) any change in the present structure of ownership of Mortgagor that constitutes a change in control of the ownership, without first obtaining Mortgagee's prior written consent.

Any consent by the Mortgagee, or any waiver of an Event of Default, under this paragraph shall not constitute a consent to, or waiver of any right, remedy or power of the Mortgagee upon a subsequent Event of Default under this paragraph.

**2.2. Default.** A default shall have occurred hereunder if:

- (a) The Mortgagor shall fail to pay, within ten (10) days of when due, any scheduled installment of principal, interest, or late charges as required by the Note, this Mortgage and otherwise; or
- (b) The Mortgagor shall fail duly to observe on time any other covenant, condition or agreement of this Mortgage or of any other instrument evidencing, securing or executed in connection with the indebtedness secured hereby, including but not limited to, the Loan Agreement, as may be amended from time to time (herein this Mortgage, the Note, the Loan Agreement and all other documents and instruments executed by Mortgagor or delivered to Mortgagee in connection with the loan secured hereby are sometimes collectively called the "**Loan Documents**") and such failure or breach is not cured to Mortgagee's satisfaction within thirty (30) days after the Mortgagor receives notice of such default from the Mortgagee, provided, however, if the nature of the default is such that it is not capable of being cured within 30 days, then so long as the Mortgagor is actively and continuously attempting to cure such default, the Mortgagor shall not be deemed in default for such breach; or
- (c) Any warranties or representations made or agreed to be made in any of the Loan Documents shall be breached in any material respect by the Mortgagor or shall prove to be false or misleading as of the date made; or
- (d) Any lien for labor or material or otherwise shall be filed against the Premises, which has not been bonded or released within thirty (30) days after filing the same; or
- (e) Any judgment shall be extended against the Mortgagor which, could substantially impair the ability of the Mortgagor to perform each and every one of its obligations under and by virtue of the Loan Documents; or
- (f) A levy shall be made under any process on, or a receiver be appointed for, the Premises or any other property of the Mortgagor; or
- (g) The Mortgagor or any guarantor of the Loan shall file a voluntary petition in bankruptcy, or any other petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation or similar relief for the Mortgagor under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtor; or
- (h) The Mortgagor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Mortgagor or of all or any part of the Premises or of any or all of the rents, revenues, issues, earnings, profits or income thereof; or
- (i) In any legal proceeding the Mortgagor shall be alleged to be insolvent or unable to pay the Mortgagor's debts as they become due; or

- (j) The Mortgagor shall do, or shall omit to do, any act, or any event shall occur, as a result of which any obligation of the Mortgagor in favor of Mortgagee and/or its successors and assigns, not arising hereunder, may be declared immediately due and payable by the holder thereof; or
- (k) The Mortgagor shall commit a material event of default under the terms of any of the leases, contracts, and or agreements affecting all or any part of the Premises; or
- (l) The Mortgagor, without the prior written consent of the Mortgagee, voluntarily or by operation of law, shall sell, transfer, convey, or assign all or any part of the legal or equitable title to the Premises, or any part of, or interest in, the Premises; or
- (m) The Mortgagor, without the prior written consent of the Mortgagee, voluntarily or by operation of law, shall transfer, convey or assign the Premises, or any part of, or interest in, the Premises as security for an indebtedness other than for the indebtedness secured hereby; or
- (n) A breach by Mortgagor of any covenant, representation or warranty set forth in the Loan Agreement, or an Event of Default occurs under the terms of the Loan Agreement or any of the other Loan Documents; or
- (o) If Mortgagee reasonably determines that the likelihood of payment of the Note or performance of the other obligations secured by this Mortgage is threatened by reason of a material adverse change in the financial condition or credit standing of Mortgagor; or
- (p) A material adverse change shall occur in the financial condition of any guarantor which, in Mortgagee's opinion, affects the ability of the guarantor to fulfill its obligations hereunder or under its guaranty, or any guarantor shall (i) file a voluntary petition in bankruptcy or seek similar relief, (ii) make a general assignment for the benefit of creditors, (iii) be alleged to be insolvent or unable to pay its debts in any legal proceeding, (iv) fail duly to observe on time any covenant, condition or agreement of this Mortgage, the guaranty, or any other Loan Document, or any individual guarantor shall die or be adjudged incompetent.
- (q) In the event that Mortgagor voluntarily files a bankruptcy petition or Mortgagor is the subject of an involuntary bankruptcy petition, the Mortgagor agrees to the following: (i) that the bankruptcy case shall be dismissed as a "bad faith" filing "for cause" under 11 U.S.C. § 1112(b); (ii) that Mortgagee is entitled to the immediate entry of an order from the appropriate bankruptcy court granting Mortgagor complete relief from the automatic stay imposed by §362 of the Bankruptcy Code (11 U.S.C. §362) to exercise its foreclosure and other rights, including but not limited to obtaining a foreclosure judgment and foreclosure sale, upon the filing with the appropriate court of a motion for relief from the automatic stay. Mortgagor specifically agrees (1) that upon filing a motion for relief from the automatic stay, Mortgagee shall be entitled to relief from the stay without the necessity of an evidentiary hearing and without the necessity or requirement of the Mortgagee to establish or prove the value of the Premises and property securing the obligations under the Note and the Loan Documents, the lack of adequate protection of its interest in the Premises and property securing the obligations under the Note and the Loan Documents, or the lack of equity in the Premises and property securing the obligations under the Note and the Loan Documents; (2) that the lifting of the automatic stay hereunder by the appropriate bankruptcy court shall be deemed to be "for cause" pursuant to §362(d)(1) of the Bankruptcy Code (11 U.S.C. §362(d)(1)); and (3) that Mortgagor will not directly or indirectly oppose or otherwise defend against Mortgagee's efforts to gain relief from the automatic stay. Mortgagor acknowledges that this specific provision is an integral part to the Mortgagee's consideration for making the Loan.

For the purposes of this Paragraph 2.2, the term “**Mortgagor**” shall be construed as anyone or more of the parties comprising Mortgagor.

**2.3. Acceleration of Maturity.** If a default shall have occurred hereunder, following any applicable notice and cure periods, then the whole unpaid principal sum of the indebtedness secured hereby, together with interest accrued thereon, together with all fees, charges, costs, expenses and liabilities due and owing under the Loan Documents shall, at the option of the Mortgagee, become due and payable without notice or demand, time being of the essence of this Mortgage and of the Note secured hereby; and no omission on the part of the Mortgagee to exercise such option when entitled so to do shall be considered as a waiver of such right.

**2.4. Right of Mortgagee to Enter and Take Possession.**

(a) If any default shall have occurred under the Loan Documents, following any applicable notice and cure periods and shall be continuing, the Mortgagor, upon demand of the Mortgagee, shall forthwith surrender to the Mortgagee the actual possession of the Premises and if, and to the extent, permitted by law and subject to the rights of tenant(s) in possession under valid lease(s), the Mortgagee may enter and take possession of the Premises and may exclude the Mortgagor and the Mortgagor’s agents and employees wholly therefrom. In the event Mortgagee exercises its right pursuant to this subparagraph (a), Mortgagee shall be deemed to be acting as agent of Mortgagor and not as owner of the Premises.

(b) For the purpose of carrying out the provisions of this Paragraph 2.4, the Mortgagor hereby constitutes and appoints the Mortgagee the true and lawful attorney in fact of the Mortgagor to do and perform, from time to time, any and all actions necessary and incidental to such purpose and does, by these presents, ratify and confirm any and all actions of said attorney in fact in the Premises.

(c) Whenever all such defaults have been cured and satisfied, the Mortgagee shall surrender possession of the Premises to the Mortgagor, provided that the right of the Mortgagee to take possession, from time to time, pursuant to subparagraph 2.4(a) shall exist if any subsequent default shall occur and be continuing.

**2.5. Leases; Assignment of Rents.** If any default shall have occurred under the Loan Documents, following any applicable notice and cure periods and shall be continuing, Mortgagee may, at its sole option, foreclose this Mortgage subject to any Leases, and the failure to make any lessee a defendant or to foreclose its rights shall not be a defense to any proceedings by Mortgagee to collect the sums secured hereby or for any deficiency unpaid after the foreclosure of the Premises. The assignment of rents contained in this Security Instrument is intended to, and does, constitute an assignment of rents as contemplated in the jurisdiction where the Property is located. If an Event of Default then exists, Lender shall be entitled to the remedies provided, in addition to all rights and remedies, whether procedural or substantive, in effect at the time of execution or enforcement of this Security Instrument. Nothing contained in this Section will diminish, alter, impair, or affect any other rights and remedies of Lender, including but not limited to, the appointment of a receiver, nor will any provision herein, diminish, alter, impair or affect any rights or powers of the receiver in law or equity or as set forth elsewhere in this Security Instrument. In addition, this assignment of rents will be fully operative without regard to value of the Property or without regard to the adequacy of the Property to serve as security for the obligations owed by Mortgagor to Lender, and will be in addition to any rights. Further, except for the notices required hereunder or in the Loan Agreement, if any, Mortgagor waives any notice of default or demand for turnover of rents, together with any rights under to apply to a court to deposit the rents into the registry of the court or such other depository as the court may designate.

**2.6. Appointment of a Receiver and Foreclosure.**

- (a) If a default shall have occurred hereunder, following any applicable notice and cure periods and shall be continuing, then the whole debt secured by this Mortgage, with all interest thereon, and all other amounts hereby secured shall, at the option of Mortgagee, become immediately due and payable, and may forthwith or at any time thereafter be collected by suit at law, foreclosure of or other proceeding upon this Mortgage or by any other proper, legal or equitable procedure without declaration of such option and without notice.
- (b) In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all reasonable expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional debt secured hereby and shall be immediately due and payable with interest thereon at the default rate as provided in the Note, when paid or incurred by Mortgagee in connection with (i) any proceeding, including foreclosure, probate and bankruptcy proceedings, to which it shall be a party, either as plaintiff, claimant, or defendant, by reason of this Mortgage, or any indebtedness hereby secured, (ii) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced, or (iii) preparations for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.
- (c) Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit, and in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period.
- (d) Mortgagor shall deliver to Mortgagee at any time on its request, all agreements for deed, contracts, leases, abstracts, title insurance policies, muniments of title, surveys and other papers relating to the Premises, and in case of foreclosure thereof and failure to redeem, the same shall be delivered to and become the property of the person obtaining a deed to the Premises by reason of such foreclosure.
- (e) ARIZONA/NORTH CAROLINA/COLORADO SPECIFIC PROVISIONS: Mortgagor acknowledges that the power of sale granted in this Mortgage may be exercised or directed by Mortgagee without prior judicial hearing. In the event Mortgagee invokes the power of sale:
- (1) Mortgagee shall send to Mortgagor and any other Persons required to receive such notice, written notice of Mortgagee's election to cause the Property to be sold. Mortgagor hereby

authorizes and empowers Trustee to take possession of the Property, or any part thereof, and hereby grants to Trustee a power of sale and authorizes and empowers Trustee to sell (or, in the case of the default of any purchaser, to resell) the Property or any part thereof, in compliance with applicable law, including compliance with any and all notice and timing requirements for such sale;

(2) Trustee shall have the authority to determine the terms of the sale, subject to applicable law. In connection with any such sale, the whole of the Property may be sold in one (1) parcel as an entirety or in separate lots or parcels at the same or different times. Mortgagee shall have the right to become the purchaser at any such sale. Trustee shall be entitled to receive fees and expenses from such sale not to exceed the amount permitted by applicable law; and

(3) Trustee shall deliver to the purchaser of the Property at the sale, Trustee's certificate or such other appropriate conveyance document describing the Property and the time when the purchaser will be entitled to such deed or document to the Property.

(f) ILLINOIS SPECIFIC PROVISIONS: Advances, disbursements and expenditures made by Mortgagee for the following purposes, whether before and during a foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, shall, in addition to those otherwise authorized by this Mortgage, constitute "**Protective Advances**":

(4) all advances by Mortgagee in accordance with the terms of this Mortgage to: (A) preserve or maintain, repair, restore or rebuild the improvements upon the Property; (A) preserve the lien of this Mortgage or the priority thereof; or (A) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 5/15-1302 of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 et seq., as from time to time amended (the "**Act**");

(5) payments by Mortgagee of: (A) when due, installments of principal, interest or other obligations in accordance with the terms of any prior lien or encumbrance; (B) when due, installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the mortgaged real estate or any part thereof; (C) other obligations authorized by this Mortgage; or (D) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title to the Property, as referred to in Section 5/15-1505 of the Act;

(6) advances by Mortgagee in settlement or compromise of any claims asserted by claimants under any prior liens;

(7) reasonable attorneys' fees and other costs incurred: (A) in connection with the foreclosure of this Mortgage as referred to in Section 5/15-1504(d)(2) and 5/15-1510 of the Act; (A) in connection with any action, suit or proceeding brought by or against Mortgagee for the enforcement of this Mortgage or arising from the interest of Mortgagee hereunder or under any of the other Loan Documents; or (A) in the preparation for the commencement or defense of any such foreclosure or other action;

(8) Mortgagee's fees and costs, including reasonable attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Subsection (b)(1) of Section 5/15-1508 of the Act;



(9) advances of any amount required to make up a deficiency in deposits for installments of taxes and assessments and insurance premiums as may be authorized by this Mortgage;

(10) expenses deductible from proceeds of sale as referred to in Subsections (a) and (b) of Section 5/15-1512 of the Act; and

(11) expenses incurred and expenditures made by Mortgagee for any one (1) or more of the following: (A) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or mortgagee takes possession of the Property imposed by Subsection (c)(1) of Section 5/15-1704 of the Act; (B) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (C) payments required or deemed by Mortgagee to be for the benefit of the Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Property; (D) shared or common expense assessments payable to any association or corporation in which the owner of the mortgaged real estate is a member in any way affecting the Property; (E) pursuant to any lease or other agreement for occupancy of the mortgaged real estate.

(b) All Protective Advances shall be so much additional Indebtedness, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the Default Rate.

(c) This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b)(5) of Section 5/15 -1302 of the Act.

(d) All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in the:

(1) determination of the amount of Indebtedness at any time;

(2) indebtedness found due and owing to Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;

(3) determination of amounts deductible from sale proceeds pursuant to Section 5/15-1512 of the Act;

(4) application of income in the hands of any receiver or mortgagee in possession; and

(5) computation of any deficiency judgment pursuant to Subsections (b)(2) and (e) of Section 5/15-1508 and Section 5/15 -1511 of the Act.

**2.7. Remedies Cumulative.** No right, power or remedy conferred upon or reserved by the Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and

every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

**2.8. Right of Re-Appraisal.** Should the Mortgagee, at any time during the term of this Mortgage, reasonably believe that the Premises may have deteriorated in market value for any reason, then the Mortgagee may cause a subsequent re-appraisal to be completed for the benefit of the Mortgagee, the cost of which shall be paid by the Mortgagor.

**2.9. Stamp and Excise Tax.** Mortgagor shall pay any and all documentary stamp taxes applicable to the full face amount of the Note, together with any and all intangible taxes due on the Note. If any additional mortgage stamp or excise tax shall become applicable with respect to this Mortgage, the Note, any loan or credit extended hereunder, or any security agreement, guaranty, the Loan Agreement or other document, the Mortgagor shall promptly pay such tax in full (including interest and penalties, if any) and shall hold the Mortgagee harmless with respect thereto. The Mortgagor's liability under this Paragraph 2.9 will survive the repayment of indebtedness under the Note.

### ARTICLE 3

**3.1. Successors and Assigns Included in Parties.** Whenever in this Mortgage one of the parties hereto is named or referred to, the heirs, legal representatives, successors and assigns of such parties shall be included and all covenants and agreements contained in this indenture by or on behalf of the Mortgagor and by or on behalf of the Mortgagee shall bind and inure to the benefit of their respective heirs, legal representatives, successors and assigns, whether so expressed or not. Provided, however, that the Mortgagor shall have no right to assign its obligations hereunder without the prior written consent of the Mortgagee.

**3.2. Headings.** The headings of the sections, paragraphs and subdivisions of this Mortgage are for the convenience of reference only, are not to be considered a part hereof and shall not limit or otherwise affect any of the terms hereof.

**3.3. Invalid Provisions to Affect No Others.** If fulfillment of any provision hereof or any transaction related hereto or to the Note, at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Mortgage in whole or in part, then such clause or provision only shall be held for naught, as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect. Notwithstanding any provision contained herein, the total liability of Mortgagor for payment of interest, including service charges, penalties or any other fees pursuant to Paragraph 1.8, subparagraph 2.6(b) or otherwise shall not exceed the maximum amount of such interest permitted by applicable law to be charged, and if any payments by Mortgagor include interest in excess of such maximum amount, Mortgagee shall apply such excess to the reduction of the unpaid principal amount due and pursuant hereto.

**3.4. Number and Gender.** Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the other.

### ARTICLE 4

**4.1. Notice.** Any notice, request, demand, consent, approval or other communication provided or permitted hereunder shall be in writing and be sent by United States registered or certified mail, return receipt requested, postage prepaid, or by prepaid guaranteed overnight courier, or by facsimile transmission

or electronic mail, with a copy sent by United States mail or overnight courier as herein provided, and in any case addressed to the party for whom it is intended at the following addresses:

If to Mortgagor:           GIPAZ 199 NORTH PANTANO ROAD, LLC  
GIPCO 585 24 1/2 ROAD, LLC,  
GIPFL 702 TILLMAN PLACE, LLC  
GIPFL 10002 N DALE MABRY, LLC  
GIPNC 201 ETHERIDGE ROAD, LLC and  
GIPIL 3134 W 76TH STREET, LLC  
401 E. Jackson Street, Suite 3300  
Tampa, FL 33602

With a copy to:           Trenam Law  
200 Central Avenue, Suite 1600  
St. Petersburg, Florida 33701  
Attn: Timothy M. Hughes, Esq.

If to Mortgagee:         Valley National Bank  
Attn: \_\_\_\_\_  
4790 140th Avenue N.  
Clearwater, Florida 33762

With copies to:         Johnson, Pope, Bokor, Ruppel & Burns, LLP  
Attn: T. Luke Markham, Esq.  
401 E. Jackson Street, Suite 3100  
Tampa, Florida 33601

provided, however, that any party may change its address for purposes of receipt of any such communication by giving at least ten (10) days' written notice of such change to the other parties in the manner above prescribed. Any notice given in accordance with the above provisions shall be deemed received and effective on the date of delivery by prepaid guaranteed overnight delivery service or courier, the date of facsimile transmission or electronic mail (provided a hard copy is placed in the United States Mail, postage prepaid, or prepaid overnight courier, on the same date), or the third Business Day after the date on which it is placed in the United States Mail, postage prepaid. Mortgagor hereby irrevocably appoints, designates and authorizes Mortgagee as its agent to file for record any notices that Mortgagee deems necessary or desirable to protect its interest hereunder or under the Note or the Loan Documents, provided such actions do not further increase Mortgagor's obligations under the Loan. Mortgagor shall forward to Mortgagee copies of all notices given or received by Mortgagor to or from any contractor, subcontractor, materialman or other person having a lien under the applicable construction lien law, promptly upon the giving or receipt of such notice, if such notice is related to any alleged failure of Mortgagor to make proper payments under the applicable construction lien law or is otherwise related to any claim of lien, or potential claim of lien, against the Premises.

## ARTICLE 5

**5.1.         Future Advances.** It is agreed that this Mortgage shall also secure such future or additional advances as may be made by the Mortgagee at its option to the Mortgagor, or its successor in title, for any purpose, provided that all those advances are to be made within twenty (20) years from the date of this Mortgage, or within such lesser period of time as may be provided hereafter by law as a prerequisite for the sufficiency of actual notice or record notice of the optional future or additional advances as against the

rights of creditors or subsequent purchasers for valuable consideration. The total amount of indebtedness secured by this Mortgage may decrease or increase from time to time. If Mortgagor files a notice specifying the dollar limit beyond which future advances made pursuant to this Mortgage will not be secured by this Mortgage, then Mortgagor shall, within one day of filing such notice, notify Mortgagee and its counsel by certified mail pursuant to Paragraph 4.1 of this Mortgage. In addition, such a filing shall constitute a default hereunder.

#### NORTH CAROLINA SPECIFIC PROVISIONS.

In the event of any inconsistencies between the terms and conditions of this Section 5.1 and the other terms and conditions of this Mortgage, the terms and conditions of this Section 5.1 shall control and be binding.

(a) Mortgagor hereby waives and releases any rights Mortgagor may have with regard to release of liability or obligations of Mortgagor pursuant to N.C. Gen. Stat. Section 45-45.1 (or any amendment thereto).

(b) This Mortgage secures all present and future advances and obligations of Mortgagor to Mortgagee. The time period within which future advances and obligations are to be made and incurred and secured by this Mortgage is the period between the date hereof and the date which is thirty (30) years from the date hereof, including any future loans, advances and readvances which may be made from time to time by Mortgagee to Mortgagor, and any and all amendments or modifications thereto which may hereafter be entered into from time to time between Mortgagor and Mortgagee or any other instrument, document or agreement between Mortgagor and Mortgagee. The maximum principal amount, including present and future obligations, which may be secured by this Mortgage at any one (1) time is two hundred percent (200%) of the original principal amount of the Note, plus accrued interest, fees and expenses. Any additional amounts advanced pursuant to the provisions of this Mortgage shall be deemed necessary expenditures for the protection of the security. Mortgagor does not need to sign any instrument or notation evidencing or stipulating that future advances are secured by this Mortgage.

**5.2. Lien Priority.** The lien priority of this Mortgage shall not be affected by any changes in the Note including, but not limited to, an increase in the interest rate charged pursuant to the Note. Any parties acquiring an interest in the Premises subsequent to the date this Mortgage is recorded shall acquire such interest in the Premises with notice that Mortgagee may increase the interest rate charged pursuant to the Note or otherwise modify the Note and the Note, as modified, and the Mortgage shall remain superior to the interest of any party in the Premises acquired subsequent to the date this Mortgage is recorded.

**5.3. Security Agreement.** This instrument also creates a security interest in favor of the Mortgagee under the Uniform Commercial Code of the state where the Property is located, and Mortgagee shall also have all the rights and remedies of a secured party under the Uniform Commercial Code, and without limitation upon or in derogation of the rights and remedies created and accorded to the Mortgagee by this Mortgage pursuant to the common law or any other laws or any other jurisdiction, it being understood that the rights and remedies of Mortgagee under the Uniform Commercial Code is the state where the Property is located shall be cumulative and in addition to all other rights and remedies of Mortgagee arising under the common law or any other laws or any other jurisdiction.

#### **5.4 Additional Specific Provisions.**

NORTH CAROLINA:

- (a) Substitute Trustee. Mortgagee, at Mortgagee's option, may from time to time remove Trustee and appoint a successor trustee in accordance with the laws where the North Carolina Property is located. Without conveyance of the North Carolina Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee in this Mortgage and by applicable law.

ARIZONA:

(a) Any party who has signed this Mortgage as a surety or accommodation party, or who has subjected his property to this Mortgage to secure the indebtedness of another, expressly waives the benefits of the provision of Arizona Revised Statutes Sections 12-1641, et seq., § 44-142, and Rule 17(e) of the Arizona Rules of Civil Procedure.

(b) In any action by Mortgagee to recover a deficiency judgment for any balance due under the Note after a foreclosure of this Mortgage or in any action to recover or compel the performance of Mortgagor's obligations, Mortgagor acknowledges and agrees that the successful bid amount made at any judicial or non-judicial foreclosure sale, if any, will be deemed conclusively to constitute the fair market value of the Mortgaged Property, will be binding against Mortgagor in any proceeding seeking to determine or contest the fair market value of the Mortgaged Property, and will be the preferred alternative means of determining and establishing the fair market value of the Mortgaged Property. To the fullest extent permissible by law, Mortgagor waives any right to have the fair market value of the Mortgaged Property determined by judge or jury in any action seeking a deficiency judgment or any action on Mortgagor's obligations, including any hearing to determine fair market value pursuant to A.R.S. § 12-1566, § 33-814, § 33-725, or § 33-727.

**5.5. Choice of Law.** This Mortgage is to be construed in all respects and enforced according to the laws of the State where the Property is located.

**5.6. Binding Effect.** This Mortgage shall be binding upon and inure to the benefit of the Mortgagor and Mortgagee hereto, and their respective heirs, successors and assigns. The invalidity or unenforceability of any provision of this Mortgage or any other Loan Document shall not affect the validity or enforceability of any other provision of this Mortgage or of any other Loan Document, all of which shall remain in full force and effect. This Mortgage contains the complete and entire agreement among the parties as to the matters covered, rights granted and the obligations assumed in this Mortgage. This Mortgage may not be amended or modified except by written agreement signed by the parties hereto.

*[Remainder of Page Left Intentionally Blank; Signatures to Follow]*

IN WITNESS WHEREOF, the Mortgagor has executed and sealed this Mortgage as of the Effective Date set forth above.

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**MORTGAGOR:**

**GIPAZ 199 NORTH PANTANO ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
David Sobelman, President

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**MORTGAGOR:**

**GIPCO 585 24 1/2 ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
David Sobelman, President

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**MORTGAGOR:**

**GIPFL 702 TILLMAN PLACE, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
David Sobelman, President

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**MORTGAGOR:**

**GIPFL 10002 N DALE MABRY, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
David Sobelman, President

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**MORTGAGOR:**

**GIPNC 201 ETHERIDGE ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
David Sobelman, President

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**MORTGAGOR:**

**GIPL 3134 W 76<sup>TH</sup> STREET, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
David Sobelman, President

**[Remainder of page intentionally left blank.]**

**[Notary block to follow on next page.]**

STATE OF FLORIDA  
COUNTY OF HILLSBOROUGH

The foregoing Mortgage and Security Agreement was acknowledged before me by means of  physical presence or  online notarization on this \_\_\_\_\_ day of March, 2022, by David Sobelman, as President of **GIPAZ 199 NORTH PANTANO ROAD, LLC**, a Delaware limited liability company, **GIPCO 585 24 1/2 ROAD, LLC**, a Delaware limited liability company, **GIPFL 702 TILLMAN PLACE, LLC**, a Delaware limited liability company, **GIPFL 10002 N DALE MABRY, LLC**, a Delaware limited liability company, **GIPNC 201 ETHERIDGE ROAD, LLC**, a Delaware limited liability company, and **GIPIL 3134 W 76TH STREET, LLC**, a Delaware limited liability company and he is \_\_\_ personally known to me, or produced \_\_\_\_\_ as identification.

My Commission Expires:

Print Name:  
NOTARY PUBLIC



**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

**ARIZONA:**

\_\_\_\_\_ , as Trustee

**COLORADO:**

Public Trustee of \_\_\_\_\_ County, as Trustee

**FLORIDA:**

**NORTH CAROLINA:**

\_\_\_\_\_ , as Trustee

**ILLINOIS:**

**PROMISSORY NOTE**

\$11,400,000.00      April 1, 2022

FOR VALUE RECEIVED, the undersigned (“**Borrower**”) does hereby covenant and promise to pay to the order of **Valley National Bank**, a national banking association or its successors or assigns, (“**Lender**”), at 4790 140<sup>th</sup> Avenue N., Clearwater, Florida 33762, or at such other place as Lender or its successor or assignee may designate to Borrower in writing from time to time, in legal tender of the United States, Eleven Million Four Hundred Thousand and No/100 Dollars (\$11,400,000.00), or so much thereof as is advanced pursuant to the terms and conditions of the Loan Agreement executed by Borrower on even date herewith (the “**Loan Agreement**”), together with all accrued interest, which shall be due and payable upon the following terms and conditions contained in this Promissory Note (the “**Note**”) and the Loan Agreement. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Loan Agreement.

**A.      Interest Rate:**

All principal evidenced by this Note shall bear interest at the rates set forth herein (the “**Interest Rate**”). For the first five (5) years of the Term (as hereinafter defined), the principal evidenced by this Note shall bear interest at a fixed rate of three and eighty-five hundredths of a percent (3.85%) per annum from the Effective Date of this Note through and until March 31, 2027. The Interest Rate shall be adjusted on April 1, 2027 said day being known as the “**Adjustment Date**.” Commencing on the Adjustment Date, the Interest Rate shall be adjusted to a fixed rate equivalent to the weekly average yield of nominal (non inflation indexed) U.S. Treasury securities adjusted to a constant maturity of five (5) years as published in the Board of Governors of the Federal Reserve System Statistical Release (Publication H.15 [519]) plus two and one-half percent (2.5%). In no event shall the Interest Rate fall beneath three and eighty-five hundredths of a percent (3.85%) per annum (“**Adjusted Interest Rate**”). All interest shall be computed and charged for the actual number of days elapsed on the basis of a year consisting of three hundred sixty (360) days. Interest shall be payable monthly, on or before the first (1st) day of each month, on the outstanding principal balance due hereunder from time to time.

**B.      Term:**

The term of this Note shall be for ten (10) years (the “**Term**”), commencing from the Effective Date of this Note and extending until March 31, 2032 (the “**Maturity Date**”), at which time the then remaining principal balance together with any interest accrued thereon shall be fully due and payable without demand. In the event the Loan Agreement permits Borrower to extend the Term and Borrower exercises such right or option in accordance with all applicable requirements, all references in this Note to the Term shall be deemed to include such extended term and the Maturity Date shall be deemed to be the final day of such extended term.

**C.      Payment Terms:**

For the first 12-months of the Term, Borrower shall make monthly payments in the amount of \$36,575.00, comprised of interest only at the fixed rate of three and eighty-five hundredths of a percent (3.85%) per annum, on or before the first (1st) day of each calendar month. After the first 12-months of the Term, monthly payments shall include repayment of principal based upon a twenty-five (25) year amortization from the date of this Note, on or before the first (1st) day of each calendar month. Commencing on the Adjustment Date and for the remainder of the Term, Borrower shall make monthly payments of principal and interest at the Adjusted Interest Rate and a twenty-five (25) year amortization from the date

of this Note, on or before the first (1st) day of each calendar month. Subject to Paragraph I below, the entire principal balance of the loan plus all accrued and unpaid interest and other accruals and fees as provided in the Loan Agreement shall be due and payable on the Maturity Date. The first payment under this Note shall be due on May 1, 2022, and payments shall be due on or before the first (1<sup>st</sup>) day of each calendar month thereafter. A failure to make any of the payments referenced in this Note within ten (10) days of the date when due shall be an immediate event of default, and nothing contained in this section shall require Lender to provide notice of such payment default. Except as may be otherwise provided in the Mortgage (as hereinafter defined), all monthly payments received by Lender hereunder shall be applied first, to the payment of accrued interest, second, to the reduction of principal, and finally, the balance, if any, to the payment of any fees, costs, expenses or charges then payable by Borrower to Lender hereunder, under the Mortgage or any of the Loan Documents (as hereinafter defined).

**D. Prepayment:** The Borrower shall have the right to prepay all or any portion of the principal of this Note at any time without notice, premium or penalty for the privilege of such prepayment. In the event of full prepayment, all accrued interest and other charges shall be paid at the same time as full principal prepayment. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments. Any prepayments shall be applied to the last installments due under this Note.

**E. Security:**

This Note is secured by, among other things, (i) that certain Multi- State Mortgage and Security Agreement (the “ **Mortgage**”) executed of even date herewith by Borrower, granting Lender a first lien and security interest in and to that certain property located in (a) Pima County, Arizona (b) Mesa County, Colorado (c) Hillsborough County, Florida (d) Dare County, North Carolina and (e) Cook County, Illinois as more particularly described in the Mortgage, together with the personal property, improvements, furniture, furnishings, fixtures and equipment located thereon; (ii) financing statements and other such security or supporting documents on the equity in Borrower, real and/or personal property, improvements, furnishings, fixtures, appurtenances and hereditaments (the “**Financing Statements**”); (iii) the Loan Agreement; and (iv) that certain Assignment of Leases, Rents and Contract Rights executed of even date herewith by Borrower, including cash flows, permits, management, rental and other operating agreements, ground leases and licenses (the “**Assignment of Leases**”) (the Mortgage, Financing Statements, the Loan Agreement, the Assignment of Leases and all other instruments and agreements securing, evidencing, or executed in connection with this Note shall collectively be referred to as the “**Loan Documents**”).

**F. Default Interest Rate:**

Should any default occur in the Borrower’s obligations, or the obligations of any associated guarantor, under the Loan Documents, then Lender shall be entitled to charge interest from the date of said default until the date such default is cured, as permitted by the Loan Documents, at the maximum legal rate permitted by applicable law as changed from time to time, provided, however, in no event shall such rate exceed the maximum legal rate authorized by applicable law. In the event a judgment is obtained, the judgment amount shall bear interest at the Default Rate recited herein or the rate of interest established by Section 55.03, Florida Statutes, whichever is the greater, until the full amount of the judgment is collected.

**G. Default; Cross Default:**

This Note shall be in default upon the failure of the Borrower to pay any principal or interest hereunder within ten (10) days of when due, without notice or demand, when due, or upon the occurrence of any Event of Default under the terms of the Loan Agreement or any other Loan Document. Upon the occurrence of an Event of Default and during the continuance of such Event of Default, the holder of this

Note may, at its option, declare all unpaid indebtedness evidenced by this Note, and any modifications, renewals or extensions hereof, to be immediately due and payable without notice regardless of the date of maturity. Failure at any time to exercise this option shall not constitute a waiver of the right to exercise the same at any other time.

A default in the terms and conditions of the Loan Documents or any other obligation of the Borrower to the Lender of whatever nature or kind, including, but not limited to this obligation, shall constitute a default of the terms and conditions of the obligations set forth in this Note. Likewise, any default in the terms and conditions of this Note shall be and constitute a default under the terms and conditions of the Loan Documents and any other obligation owed by the Borrower to the Lender.

**H. Late Charges:**

Lender may collect a late charge not to exceed an amount equal to five percent (5%) of any installment which is not paid within ten (10) days of the due date thereof (except for the payment due on the Maturity Date for which there is no grace period), to cover the extra expense involved in handling delinquent payments, provided that collection of said late charge shall not be deemed a waiver by Lender of any of its rights under this Note. The Lender may impose a non-sufficient funds fee for any check that is presented for payment that is returned for any reason. In addition, the Lender may charge loan documentation fees as may be reasonably determined by the Lender.

**I. Acceleration:**

Should any default occur and be continuing in any of Borrower or any associated guarantor's obligations under the Loan Documents, which default is not cured during any applicable notice and cure period, the principal of this Note or any unpaid part thereof, all accrued interest, together with all fees, charges, costs, expenses and liabilities due and owing under the Loan Documents, shall, in the sole discretion of Lender, at once become due and payable and may be collected forthwith without notice to the undersigned, regardless of the stipulated date of maturity. However, Lender may, in the sole discretion of Lender, accept payments made by Borrower after any default has occurred, without waiving any of Lender's rights herein.

**J. Costs:**

In the event that this Note is collected by law or through attorneys at law, or under advice therefrom (whether such attorneys are employees of the Lender or an affiliate of the Lender or are outside counsel), the Borrower and any endorser, guarantor or other person primarily or secondarily liable for payment hereof hereby, severally and jointly agree to pay all costs of collection, including reasonable attorneys' fees including charges for paralegals and others working under the direction or supervision of the Lender's attorneys, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors' proceedings or otherwise.

**K. Loan Charges:**

Nothing herein contained, nor any transaction related thereto, shall be construed or so operate as to require Borrower or any person liable for the repayment of same, to pay interest in an amount or at a rate greater than the maximum allowed by applicable law. Should any interest or other charges paid by Borrower, or any parties liable for the payment of the loan made pursuant to this Note, result in the computation or earning of interest in excess of the maximum legal rate of interest permitted under the law in effect while said interest is being earned, then any and all of that excess shall be and is waived by Lender, and all that excess shall be automatically credited against and in reduction of the principal balance, and any

portion of the excess that exceeds the principal balance shall be paid by Lender to Borrower or any parties liable for the payment of the loan made pursuant to this Note so that under no circumstances shall the Borrower, or any parties liable for the payment of the loan hereunder, be required to pay interest in excess of the maximum rate allowed by applicable law.

**L. Jurisdiction:**

The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement. In the event that legal action is instituted to collect any amounts due under, or to enforce any provision of this instrument, Borrower and endorser, guarantor or other person primarily or secondarily liable for payment hereof consent to, and by execution hereof submit themselves to, the jurisdiction of the courts of the State of Florida, and, notwithstanding the place of residence of any of them or the place of execution of this instrument, such litigation may be brought in or transferred to a court of competent jurisdiction in and for Hillsborough County, Florida.

**M. Miscellaneous:**

1. TIME BEING OF THE ESSENCE OF THIS NOTE.
2. It is agreed that the granting to Borrower of this Note or any other party of an extension or extensions of time for the payment of any sum or sums due hereunder or under the accompanying Mortgage or for the performance of any covenant or stipulation thereof or the taking of other or additional security shall not in any way release or affect the liability of the Borrower of this Note.
3. This Note may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.
4. All parties to this Note and the Loan Documents, whether Borrower, principal, surety, guarantor or endorser, hereby jointly and severally: (a) consent to any forbearance or extension of the time or manner of payment hereof and to the release of all or any part of any security held by the Lender to secure payment of this Note and to the subordination of the lien of the Mortgage and any other instrument of security securing this Note as to all or any part of the property encumbered thereby, all without notice to or consent of that party; (b) agree that no course of dealing or delay or omission or forbearance on the part of the Lender in exercising or enforcing any of its rights or remedies hereunder or under any instrument securing this Note shall impair or be prejudicial to any of the Lender's rights and remedies hereunder or to the enforcement hereof and that the Lender may extend, modify or postpone the time and manner of payment and performance of this Note and any instrument securing this Note, may grant forbearance and may release, wholly or partially, any security held by the Lender as security for this Note and release, partially or wholly, any person or party primarily or secondarily liable with respect to this Note, all without notice to or consent by any party primarily or secondarily liable hereunder and without thereby releasing, discharging or diminishing its rights and remedies against any other party primarily or secondarily liable hereunder; and (c) waive notice of acceptance of this Note, notice of the occurrence of any default hereunder or under any instrument securing this Note and presentment, demand, protest, notice of dishonor and notice of protest and notices of any and all action at any time taken or omitted by the Lender in connection with this Note or any instrument securing this Note and waive all requirements necessary to hold that party to the liability of that party.

5. The Borrower and any other person obligated for the payment of this Note shall have no right of set off against Lender under this Note or under any instruments securing this Note or the Loan Documents, or any documents executed in connection with the loan evidenced hereby.
6. Anything herein to the contrary notwithstanding, the obligations of Borrower under this Note shall be subject to the limitation that payments of interest shall not be required to the extent that receipt of any such payment by Lender would be contrary to provisions of law applicable to Lender limiting the maximum rate of interest which may be charged or collected by Lender.
7. The Borrower hereof acknowledges that the Lender shall have no obligation whatsoever to renew, modify or extend this Note or to refinance the indebtedness under this Note upon the maturity thereof, except in the event the Loan Agreement grants Borrower an extension option and Borrower exercises such option in compliance with all applicable requirements related thereto.
8. The remedies of the Lender, as provided herein or within any other Loan Documents, shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Lender, and may be exercised as often as occasion therefore shall arise. No act or omission or commission of the Lender, including specifically any failure to exercise any right, remedy or recourse, shall be deemed to be waiver or release of the same, such waiver or release to be effected only through a written document executed by the Lender and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as to a subsequent event.
9. For and in consideration of the funding of this Note by the Lender or any renewal or extension thereof, should any occur, the undersigned Borrower hereby agrees to cooperate or re-execute any and all Loan Documents deemed necessary or desirable in the Lender's discretion, in order to correct or to adjust for any errors or omissions contained in any document executed in connection with the loan.
10. Lender shall have the right to accept and apply to the outstanding balance of this Note any and all payments or partial payments received from Borrower after the due date therefor whether this Note has been accelerated or not without waiver of any and all of Lender's rights to continue to enforce the terms of this Note and to seek any and all remedies provided for herein or any instrument securing the same including, but not limited to, the right to foreclose on such security.
11. The term "**Borrower**" as used herein, in every instance shall include the makers, heirs, executors, administrators, successors, legal representatives and assigns, and shall denote the singular and/or plural, the masculine and/or feminine, and natural and/or artificial persons whenever the context so requires or admits.
12. If more than one party executes this Note, all such parties shall be jointly and severally liable for the payment of this Note.
13. Borrower agrees to pay all taxes, including documentary stamps and intangible tax due and payable on this Note.

N. **Waiver of Jury Trial:**

**BORROWER AND LENDER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LENDER ENTERING INTO THIS AGREEMENT.**

Borrower's Initials /s/ DS

*[Remainder of Page Left Intentionally Left Blank; Signatures to Follow]*

THE UNDERSIGNED ACKNOWLEDGES THAT THE LOAN EVIDENCED HEREBY IS FOR COMMERCIAL PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

Borrower has executed and delivered this Note to Lender on the date first stated above.

**BORROWER:**

**GIPAZ 199 N PANTANO ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPCO 585 24 0.5 ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPFL 702 TILLMAN PLACE, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPFL 10002 N DALE MABRY, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

*[Additional Signature Page to Follow]*



**GIPNC 201 ETHERIDGE ROAD, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GIPIL 3134 W 76TH STREET LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

## LOAN AGREEMENT

THIS LOAN AGREEMENT (the “**Agreement**”) is made and entered into as of this 1st day of April, 2022, by and among **GIPIL 525 S PERRYVILLE RD, LLC**, a Delaware limited liability company and **SUNNY RIDGE MHP LLC**, a Florida limited liability company (hereinafter collectively, the “**Borrower**”), **DAVID SOBELMAN**, individually and as President of Generation Income Properties, Inc., a Maryland corporation, General Partner of **GENERATION INCOME PROPERTIES, L.P.**, a Delaware limited partnership (“**Guarantor**”), and **VALLEY NATIONAL BANK**, a national banking association, its successors and assigns (“**Lender**”).

### RECITALS

WHEREAS, contemporaneously with the execution of this Agreement, Lender is making a loan to Borrower in the principal amount of Two Million One Hundred Thousand and No/100 Dollars (\$2,100,000.00), for the purpose of refinancing and/or acquiring that certain real property as hereinafter described (the “**Loan**”), to be secured by, among other things, a first lien security interest in certain real property located in Winnebago County, Illinois and more particularly described on **Exhibit “A”** attached hereto (the “**Property**”).

WHEREAS, the Loan is (i) evidenced by that certain promissory note dated as of even date herewith, made by Borrower and payable to the order of Lender in the principal amount of the Loan (the “**Note**”), and (ii) secured by, among other collateral, a first priority Mortgage and Security Agreement dated as of even date herewith from Borrower to Lender (the “**Mortgage**”), encumbering the Property (the Note, the Mortgage, this Agreement and all other documents executed by Borrower and/or Guarantor or delivered to Lender in connection with the Loan being hereinafter collectively called the “**Loan Documents**”); and

WHEREAS, Borrower’s payment and performance of the Loan is guaranteed by the Guarantor pursuant to that certain Guaranty Agreement dated as of even date herewith (the “**Guaranty**”); and

WHEREAS, Lender has agreed to make and Borrower has agreed to accept the Loan, upon and subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein and for other valuable consideration, the parties covenant and agree as follows:

**1.                   Definitions.**                   For the purposes of this Agreement, the following terms shall have the following meanings:

1.1                   “Accountant” shall mean any independent certified public accountant of recognized standing selected by Borrower and reasonably acceptable to Lender.

1.2                   “Agreement” shall mean this Loan Agreement and any and all amendments, extensions, renewals, replacements, substitutions, modifications and consolidations thereof.

1.3                   “Borrower” shall have the meaning assigned such term in the Preamble to this Agreement.

1.4                   “Business Day” shall mean any day which is not a Saturday, Sunday or legal holiday in the State of Florida, on which banks are open for business in Tampa, Florida.

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1.5                    “Collateral” shall mean that real and/or personal property which secures repayment of the Loan Obligations as described in the Security Documents.

2.            **Warranties and Representations.** Borrower and Guarantor warrant and represent to Lender as follows:

(a)            **Due Formation, Power and Authority.** Borrower (i) is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware; (ii) has the power and authority to own property and to carry on its business in every jurisdiction in which the nature of its business or its properties make such qualification necessary; (iii) is in compliance in all material respects with all laws, regulations, ordinances and public authorities applicable to it, unless otherwise disclosed to and acknowledged by Lender in writing; and (iv) has the full power and authority to consummate the transaction contemplated herein.

(b)            **Organizational Documents of Borrower.** The Certificate of Formation and Limited Liability Company Agreement of Borrower that have been furnished to Lender are true and complete and have not been modified or amended except by amendments of which Lender has been advised and furnished true and complete copies.

(c)            **Validity of Loan Documents.** The execution and delivery of this Agreement and the other Loan Documents by Borrower, the performance of its obligations hereunder and thereunder, and the consummation of the transactions contemplated hereby (i) have been duly authorized by all requisite action on the part of Borrower; (ii) do not require the approval of any governmental authority; (iii) will not violate any provision of law (including, without limitation, any applicable usury law or similar law), any order or regulation of any court or other governmental authority, or any indenture, agreement or other instrument to which Borrower is a party or by which it or any of its property is bound; and (iv) will not conflict with, result in a breach of or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Borrower's property or assets, except as contemplated by the provisions of this Agreement. The Loan Documents constitute the legal, valid and binding obligations of Borrower and each Guarantor, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally, by equitable principles and by principles of good faith, fair dealing and reasonableness.

(d)            **Financial Statements.** All balance sheets, statements of profit and loss, and other financial data that have been furnished to Lender with respect to Borrower or Guarantor (i) are complete and correct in all material respects; and (ii) accurately present the financial condition of Borrower and Guarantor as of the dates, and the results of their operations for the periods, for which the same have been furnished. Such balance sheets disclose all known liabilities, direct and contingent, as of their respective dates and there has been no material change in the condition of Borrower or any Guarantor, financial or otherwise, since the date of the most recent financial statements furnished to Lender with respect thereto, other than changes in the ordinary course of business, none of which changes has been materially adverse.

(e)            **Other Information.** All other information, reports, papers and data furnished to Lender with respect to Borrower or Guarantor are accurate, correct and complete in all material respects.

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(f) Other Agreements. Borrower is not (i) a party to or bound by any agreement, other than those certain leases between Borrower and tenants as disclosed on the Rent Roll and attached hereto as **Exhibit "B"** (collectively, the "**Tenant**"), or instrument adversely affecting its present or proposed businesses, properties or assets, or its operation or condition, financial or otherwise; or (ii) in breach or default in the performance, observance or fulfillment of any material obligations, covenants or conditions set forth in any agreement or instrument to which it is a party or by which it is bound.

(g) Other Financing. Borrower does not have any outstanding financing, or any commitment to provide such financing, secured by the Property except for the Loan.

(h) Taxes. Borrower has filed all income tax returns required to have been filed by it and has paid all taxes which have become due pursuant to such returns or pursuant to any assessment received by it, and Borrower does not know of any basis for additional assessment in respect of such taxes. There are no liens against the Property for any past due taxes or for any public assessments for paving, sidewalks, curbing, sewers or any other street or off-site improvements of any kind constructed, commenced or contracted for prior to the date hereof. The Property is free from all due and unpaid water charges, sewer rents, taxes and assessments.

(i) Litigation. There is not now pending against or affecting Borrower or Guarantor, nor to the knowledge of Borrower or Guarantor is there threatened, any action, suit or proceeding at law or in equity, or by or before any governmental authority (domestic or foreign) or any administrative agency, which, if adversely determined, would impair or adversely affect the financial condition or operations of Borrower or Guarantor. Neither Borrower nor Guarantor is involved in any state or federal bankruptcy, reorganization, arrangement, insolvency proceedings, receivership or any other debtor-creditor proceeding, nor has Borrower or Guarantor made any assignment for the benefit of creditors.

(j) Title. Borrower has good and marketable title in fee simple to the Property, free and clear of any liens, charges, encumbrances, security interests and adverse claims whatsoever, except for the matters, if any, listed as exceptions in that certain Chicago Title Insurance Company ("**Title Agent**"), bearing Commitment Number 5271-2200335 522200282SS, in favor of Lender, and acceptable to reasonably Lender, as amended and delivered to Lender on the date hereof and subject only to that certain written lease agreements between Borrower and Tenants (the "**Permitted Encumbrances**").

(k) Utilities. All utility services necessary for the full use and operation of the Property are available within or at the boundaries of the Property, including water supply, storm and sanitary sewer facilities, electricity and telephone facilities.

(l) Licenses, Etc. All licenses, permits, consents, approvals and authorizations to occupy the Property have been obtained and are in full force and effect, including without limitation all licenses, permits, consents, approvals and authorizations required under federal, state and/or local laws, statutes, regulations, rules, codes, ordinances and orders with respect to platting, subdivision, zoning, land use, access to public streets, curb cuts, drainage, safety, building, fire protection, water, sewer, environmental and energy matters.

(m) Environmental Laws. All pollution control and environmental protection laws and regulations that are applicable to the Property and the use thereof have been and will be satisfied.

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(n) No Event of Default. No default or Event of Default (as hereinafter defined) exists under this Agreement, the other Loan Documents, the Permitted Encumbrances (as hereinafter defined) and no event has occurred and is continuing which, with notice or the passage of time or both would constitute a default or Event of Default under any provision hereof or thereof. The consummation of the transactions hereby contemplated and performance of this Agreement and the other Loan Documents will not result in any breach of, or constitute a default under the Permitted Exceptions or any mortgage, deed of trust, lease, bank loan or credit agreement, articles of organization, corporate charter, certificate of formation, by law, operating agreement, partnership agreement or other instrument to which Borrower or Guarantor is a party or by which any of them may be bound or affected.

(o) Condition of the Property. No part of the Property is now materially damaged or injured as a result of any fire, explosion, accident, flood or other casualty.

(p) Construction Liens. No notice of commencement has been filed of record with respect to the Property, and no other act or thing has been or will be done with respect to the Property (including without limitation any construction or delivery of materials) that could, under any circumstances, give rise to the recordation of any lien of a mechanic, materialman, contractor, subcontractor, laborer or any other person prior to the recording of the Mortgage.

All representations and warranties made by Borrower and Guarantor in this Agreement shall be true and correct as of the date of execution of this Agreement and have been and will be relied upon by Lender and constitute an inducement for the making and continuation of the Loan. If any representation, warranty or statement made herein or furnished to Lender is false or misleading in any material respect when made, such event shall constitute a default hereunder and under the Loan Documents.

**3. Affirmative Covenants.** Borrower and Guarantor covenant and agree with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder or under any other arrangements between Borrower and Lender, unless Lender shall otherwise consent in writing, Borrower and Guarantor (as applicable) will:

(a) Existence, Properties, Etc. Borrower shall do all things necessary to preserve and maintain in full force and effect (i) the existence and good standing of Borrower as a limited liability company or other business entity under the laws of the State of Delaware; and (ii) all qualifications or licenses, if any, required for the conduct of Borrower's business.

i) All insurance policies required under this Agreement shall be subject to Lender's reasonable approval as to insurer, amounts, form, risk coverage, deductibles, insurance and provisions relating to notices, cancellation and Lender's rights as mortgagee/loss payee. Loss payments shall be applied to the restoration, repair or replacement of the Property provided (i) no Event of Default (or any other event that, with notice or the passage of time, or both, would constitute an Event of Default) has occurred and is continuing; (ii) Borrower either (A) deposits additional monies with Lender in amounts which in Lender's reasonable judgment are sufficient to defray all costs to be incurred in excess of the loss payments to complete the restoration and all costs associated therewith, including labor, materials, architectural and design fees and expenses and contractor's fees and expenses, or (B) provides evidence satisfactory to Lender of the direct payment by Borrower of all costs to be incurred in excess of the loss payments to complete the restoration and all costs associated therewith, including labor, materials, architectural and design fees and expenses and contractor's fees and expenses, through direct payment to the parties providing same, all as evidenced by paid receipts and/or cancelled checks and

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lien waivers or releases satisfactory to Lender; (iii) Lender shall have approved a budget and cost breakdown for the restoration, together with a disbursement schedule, in detail satisfactory to Lender; and (iv) Lender determines that such Property can be restored or repaired before the maturity date of the Loan. If the conditions set forth in the preceding sentence are not met to Lender's reasonable satisfaction, the loss payments shall at Lender's discretion be applied to the payment of the principal and interest on the Note and all other indebtedness of Borrower to Lender.

(b) General Liability Insurance. Borrower shall carry or cause tenant to carry comprehensive general liability insurance with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate and with insurers reasonably acceptable to Lender and shall deliver to Lender original or certified copies of such policy or policies or certificates of such coverage as may be requested from time to time by Lender. In addition, the Borrower shall carry, on a minimum basis, the coverage that has been previously provided to the Lender.

(c) Workers' Compensation Insurance. In the event that Borrower employs any employees in connection with the Property, then Borrower shall carry workers' compensation and employer's liability insurance and pollution liability insurance covering all liability in connection with the Property under applicable workers' compensation laws and shall deliver to Lender such certificates of coverage with respect thereto as may be requested from time to time by Lender.

(d) Books and Records.

i) Borrower shall maintain full and complete books of account and other records reflecting the results of its operation of the Property in a form reasonably satisfactory to Lender, and Borrower (and Guarantor, where indicated) will furnish, or cause to be furnished to Lender:

(1) Annually, within thirty (30) calendar days of filing, Borrower and Guarantor shall provide to Lender federal tax returns or extension applications therefore (including attached schedules);

(2) Guarantor shall submit to Lender annual personal financial statements and certifications therefor in a form reasonably satisfactory to Lender no later than thirteen (13) months from the date of delivery of the last annual financial statement and certification to Lender. The Borrower shall furnish to the Lender annually the following information related to the Property: occupancy reports, delinquency reports, manager reports, accounts payable aging, quality inspection reports and any other information and/or reports reasonably requested by Lender. The Borrower and Guarantor shall provide such other financial information or statements which the Lender may request by not less than ten (10) days prior written notice from time to time, all to be in form and content satisfactory to the Lender. All financial statements must be certified by Guarantor as true, correct, and complete in all material respects and they shall be prepared in a form reasonably acceptable to Lender. Such financial statements shall include a complete description of all contingent liabilities, including, without limitation, all indebtedness guaranteed. Failure to provide any of the information required in this paragraph, following ten (10) calendar days' written notice to the Borrower, shall be a default under the Loan Documents. Borrower shall further covenant and agree that Lender shall have the absolute right to inspect Borrower's books and records concerning the Property on reasonable prior notice and during reasonable business

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hours. In addition, Borrower shall promptly, from time to time, furnish to Lender such other information regarding the operations, business, affairs and financial condition of Borrower as Lender may reasonably request. Failure to furnish the financial statements required herein or to permit inspection of books shall constitute a default by the Borrower hereunder;

ii) In addition to the foregoing, Borrower and Guarantor shall (i) promptly furnish to Lender such other financial statements and other data concerning its affairs, properties and financial condition of Borrower or Guarantor as Lender from time to time may reasonably request, (ii) promptly notify Lender of any material adverse change in financial condition of Borrower or Guarantor or in the physical condition of the Property and (iii) at Lender's option following an Event of Default, shall maintain with Lender tax and insurance escrows in separate depository accounts as selected by the Lender. At any time and from time to time, Borrower and Guarantor shall deliver or cause to be delivered to Lender such other financial data as Lender shall reasonably request with respect to the ownership and operation of the Property, and Lender shall have the right, at reasonable times and upon reasonable notice, to review Borrower's books of account and records relating to the Property, all of which shall be made available and delivered to Lender and Lender's representatives for such purpose. If such statements or balance sheets are not received within the time(s) provided, then, following written notice to Borrower, Lender shall have the right to employ independent accountants of its choice to inspect the books and other records of Borrower to obtain and/or verify the necessary information, for which Borrower agrees to make payment and hold Lender harmless from the cost and expense of same. After the occurrence of an Event of Default, Lender shall have the right, in the exercise of its sole discretion, to require the Borrower, at Borrower's sole cost and expense, cause any financial statements of Generation Income Properties, Inc., to be audited by an independent certified public accountant acceptable to Lender, and that Borrower deliver such audited financial statements to Lender in lieu of, or in addition to, the unaudited financial statements required by clause (d)(i).

(e) Notice. Borrower shall give prompt written notice to Lender of (i) any material action or proceedings related to the Property or the Loan that are instituted by or against Borrower or Guarantor in any court or by any commission or other regulatory body, or (ii) any action or proceedings instituted by or against Borrower or Guarantor, or threatened against any of them in writing, that might result in a judgment or judgments of \$25,000.00 or more, to the Borrower or Guarantor, or (iii) any other action, event or condition of any nature known to Borrower, or of which it should have knowledge, that (A) constitutes an Event of Default, or (B) would reasonably be expected to have a material adverse effect upon the business, operations, properties, assets or financial condition of Borrower or Guarantor.

(f) Performance of Obligations. Borrower shall duly pay, perform and discharge all of its obligations under this Agreement, the Note, the Mortgage and the other Loan Documents.

(g) Other Financing. Borrower shall not obtain any other financing or indebtedness (secured or unsecured), without the prior written consent of Lender, except for trade payables incurred in the ordinary course of business not exceeding \$25,000.00 per property or \$250,000.00 in the aggregate at any time. Borrower expressly acknowledges and agrees that any debt owed by Borrower to any of its members, managers, owners, or to the Guarantor, of any membership or ownership interests is and at all times shall be subordinate to the Loan in all respects.

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(h) Transfer or Conveyance. Neither Borrower nor Guarantor shall, voluntarily or by operation of law, sell, convey, transfer or encumber, or permit to be sold, conveyed, transferred or encumbered, any interest in or any part of the Property without the written consent of Lender having been first obtained, which consent will not be unreasonably withheld, conditioned or delayed. Any prohibited transaction under this paragraph shall be null and void as to Lender.

(i) Change in Ownership. Neither Borrower nor Guarantor shall permit the creation of any new membership or ownership interest in Borrower or permit or effect any material change in the control or management of the Borrower or the Property or allow any modification or amendment in the organizational documents of the Borrower without the written consent of Lender having been first obtained.

(j) No Lien. Borrower shall not create, incur, assume or permit any assignment, lien, pledge or other encumbrance upon the Property, any of the collateral described in this Agreement or any of the Loan Documents, or any interest or equity therein, other than to Lender and other than tax liens that are being contested in good faith and in such a manner as not jeopardize the Lender's collateral position, without Lender's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed and upon having escrowed with Lender the amount being contested in said tax lien protest.

(k) Impairment of Property. Borrower shall not permit any action to be taken that would result in any material impairment of the value of the Property.

(l) Breach of Any Contract. Borrower shall not commit any act, or suffer or permit any act to occur, that would, in any manner, constitute or give rise to a material breach of any term, covenant or condition on Borrower's part to be performed under any material contract or agreement to which Borrower is a party or by which it is bound if such breach would have a materially adverse effect on the Property, any other security for the Loan, or the financial condition of Borrower.

(m) Judgments. Borrower and Guarantor shall not permit any final judgment in excess of \$25,000.00 to be obtained against any individual, Borrower or Guarantor to remain unpaid (or, if any such judgment is appealed, to remain unbonded) for a period of thirty (30) days following the entry thereof; or, if any such judgment is affirmed on appeal, to permit the judgment to remain unpaid for a period of thirty (30) days following entry of the order affirming same.

(n) Permitted Encumbrances and Prior Liens. Borrower shall not amend, modify or permit to be modified or amended any provision of any document evidencing or creating or affecting any of the Permitted Encumbrances without Lender's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed.

(o) Loan Amount; Loan to Value Ratio. . At all times during the Term, Borrower shall maintain a loan to value ratio of fifty-four percent (54%) which means that the outstanding principal balance of the Loan due, together with all unpaid interest which shall have accrued thereon, shall not exceed fifty-four percent (54%) of the fair market stabilized value of the Property. Fair market value shall be determined by Lender from time to time by reference to acceptable guides and indexes and/or appraisals or such other means as Lender, in its reasonable discretion, deems appropriate. Upon an Event of Default, a new tenant occupying any of the properties, or an increase to the Loan Amount, whereby Lender determines the loan to value ratio is greater than fifty-four percent (54%), Lender shall have the option, at its sole and absolute discretion, to either: (a) reduce the Loan amount to fifty-four percent (54%) of the value of the Property; or (b) require Borrower to, within ten (10) days of notice and demand by Lender, pledge such additional collateral as may

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be acceptable to Lender in order to maintain the required loan to value ratio. Borrower's failure to either reduce the Loan balance as necessary or satisfy Lender's demand for additional collateral acceptable to it within ten (10) days of notice having been given by Lender shall be considered a default hereunder.

(p) Real Estate Tax and Insurance Escrow. At any time after an Event of Default, the Lender may require at any time that escrow payments as to taxes, assessments and insurance be paid to it by the Borrower, during the term of the Loan. In such event, the Borrower shall pay to Lender, to the extent requested by the Lender, on dates upon which interest is payable or as otherwise directed by the Lender such amounts as Lender from time-to-time estimates is necessary to create and maintain a reserve fund from which to pay, before the same become due, all insurance premiums, taxes and governmental assessments relating to the Property. Said payments may be, at the discretion of the Lender, a monthly sum and amount equal to one-twelfth (1/12) of the estimated annual insurance premiums and taxes and assessments upon the Property, as the amount thereof is determined from time to time by Lender in its sole discretion. In the event such monthly escrow payments are insufficient to pay for said insurance premiums, taxes and assessments when due, Lender may demand of Borrower that the amount of such payments be increased and/or Lender may demand that the difference be paid to it by the Borrower, and Borrower shall immediately comply with such demands. There shall be no interest due to Borrower on such deposits. Payments from said reserve fund for said purposes may be made by the Lender at its discretion even though subsequent owners of the Premises described herein may benefit thereby. In the event of any default which is not cured within the curative period, if any, set forth herein Lender at its discretion and option may apply all or any part of said reserve fund to the indebtedness hereby secured. In refunding any part of said reserve fund, the Lender may deal with whomsoever is represented to be the owner of the Property at that time. Lender agrees to reasonably cooperate with Borrower in the event that Borrower appeals, challenges or contests in good faith the amount of taxes and assessments levied by any governmental authority on the Property.

(q) Intentionally Omitted.

(r) Publicity. Lender, in its sole discretion, shall have the right to announce and publicize relevant information with respect to the financing made pursuant to this Agreement, as it deems appropriate or desirable, by means and media selected by the Lender. Such publicity may, at Lender's discretion, include all pertinent information relating to the Loan, including, without limitation, the term, purpose, Interest Rate, Loan amount, name of Borrower and Lender and location of the Property. The form and content of the published information shall be in the sole discretion of Lender and shall be considered the sole and exclusive property of Lender. All expenses related to publicizing the financing of the Property shall be the sole responsibility of Lender.

(s) Brokers. Borrower shall indemnify Lender from and hold Lender harmless against claims of brokers arising by reason of the execution hereof or the consummation of the transactions contemplated hereby.

(t) Deposit Accounts. On the date hereof, Borrower shall establish, and during the term of the Loan and so long as any part thereof is outstanding, Borrower shall maintain, a depository account and relationship with Lender. In the event that Borrower shall fail to establish and/or maintain such depository account and relationship, such failure shall constitute an Event of Default.

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(u) Debt Service Coverage. Borrower shall maintain at all times a minimum Debt Service Coverage Ratio (“**DSCR**”) of 1.50:1.00 as tested annually, beginning as of December 31, 2022, and each December 31st thereafter. If Borrower fails to maintain the DSCR as hereby required, Borrower shall promptly make payment to Lender to reduce the principal balance of the Loan to satisfy the foregoing DSCR requirement. DSCR is defined as the ratio of (a) trailing twelve months Net Operating Income before distributions to (b) the sum of actual trailing twelve-month debt service payments on all indebtedness of Borrower. For purposes of this Section, “**Net Operating Income**” is defined as net operating income and shall equal net profit before interest, income taxes, depreciation and amortization.

(v) Miscellaneous. Borrower (i) does not and will not own any encumbered assets other than the Property and incidental personal property related to the ownership and operation of the Property, except as expressly permitted herein, (ii) has previously disclosed the Property’s ownership, management and operation structure to Lender; (iii) other than property management agreements entered into in the ordinary course of business, has not entered and will not enter into any contract or agreement, with any partner or affiliate of Borrower without Lender’s prior written consent, which consent will not be withheld, conditioned or delayed; (iv) has not incurred and will not incur any debt, secured or unsecured, direct or contingent (including the guaranty of any obligation) without Lender’s prior written consent, other than the Loan and trade debt but only where expressly permitted by Lender or the terms of this Agreement and except as otherwise expressly permitted herein; (v) has not made and will not make any loans or advances to any third party (including any member, manager, officer, partner or affiliate of Borrower); (vi) is and will be solvent and pay its debts as they become due; (vii) will maintain books, records and bank accounts separate from those of any other person or entity (including members, managers, officers, partners and affiliates of Borrower); (viii) will be, and at all times will hold itself out to the public as, a legal entity separate and distinct from any other entity (including members, managers, officers, partners and affiliates of Borrower), (ix) will maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations; (x) will not, without Lender’s prior written consent, which consent will not be withheld, or delayed, enter into any transaction of merger or consolidation with, or acquire (by purchase or otherwise) all or substantially all of the business assets, stock or beneficial ownership of, any entity; (xi) will not commingle any funds or other assets of Borrower with those of any other person or entity (including any member, manager, officer, partner or affiliate of Borrower); (xii) will not guaranty any debt or other obligation of any third party (including any member, manager, officer, partner or affiliate of Borrower) without Lender’s prior written consent; and (xiii) will provide Lender, upon request, with copies of all leases together with all estoppels from all tenants and subordination, non-disturbance and attornment agreements from all tenants with interests in all or any portion of the Property, whether executed prior to closing or during the Term of the Loan. As used in this paragraph, each reference to one or more principals or affiliates of Borrower includes (but is not limited to) Guarantor of the Loan or any part thereof.

4. Negative Covenants. Borrower and Guarantor covenant and agree with Lender that from the date hereof and so long as any sums are outstanding or may be borrowed hereunder or under any other arrangements between Borrower, Guarantor and Lender, unless Lender shall otherwise consent in writing delivered to Borrower, Borrower and Guarantor will not commit to do or fail to commit to do, any act or thing which would constitute an event of default under any of the terms or provisions hereunder or under any other agreement, mortgage, contract, indenture, document or instrument executed, or to be executed by it, except those that may be contested in good faith, and would not, if settled unfavorably, materially and adversely affects its financial condition.

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5. **Recovery of Additional Costs.** If the imposition of or any change in any law, rule, regulation or guideline, or the interpretation or application of any thereof by any court or administrative or governmental authority (including any request or policy not having the force of law) (collectively, a “**Change in Law**”) shall impose, modify or make applicable any taxes (except federal, state or local income or franchise taxes imposed on Lender), reserve requirements, capital adequacy requirements or other obligations would (A) increase the cost to Lender for extending or maintaining the credit facilities to which this Agreement relates, (B) reduce the amounts payable to Lender under this Agreement or the Loan Documents, or (C) reduce the rate of return on Lender’s capital as a consequence of Lender’s obligations with respect to the credit facilities to which this Agreement relates, then Borrower agrees to pay Lender such additional amounts as will compensate Lender therefore, within ten (10) days after Lender’s written demand for such payment, which demand shall be accompanied by an explanation of such imposition or charge and a calculation in reasonable detail of the additional amounts payable by Borrower, which explanation and calculations shall be conclusive in the absence of manifest error. Notwithstanding the foregoing, the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender’s intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

6. **Events of Default.** The occurrence of any of the following shall constitute an “**Event of Default**” hereunder and under the Loan Documents (provided, however, that provisions relating to Guarantor shall apply only as long as such Guarantor’s Guaranty Agreement remains effective):

(a) **Scheduled Payment.** Borrower's failure to make any payment required by the Note or Loan Documents within ten (10) days of when due without notice or demand from Lender to Borrower; or

(b) **Other Monetary Default.** Borrower's failure to make any other payment required by this Agreement or by any of the other Loan Documents, within ten (10) days after written notice from Lender to Borrower, provided that Lender shall only be required to deliver such written notice to Borrower once per year during the Term; or

(c) **Performance of Covenants.** Borrower or Guarantor shall fail to perform or observe in any material respect any term, covenant, or agreement or shall default under any material provision contained in any Loan Document including, without limitation, the financial reporting requirements set forth in this Agreement, each of which are expressly deemed to be material, and cure is not effected within thirty (30) days after the defaulting party receives notice of such default from the Lender, provided, however, if the nature of the default is such that it is not capable of being cured within 30 days, then so long as the Borrower is actively and continuously attempting to cure such default, the Borrower shall not be deemed in default for such breach, it being the intent of the parties that the Lender shall, in such event, be entitled to pursue any or all available remedies notwithstanding that Borrower may then be current on all payments due under the Note; or

(d) **Misrepresentation; Breach of Warranty.** Any representation, warranty or statement made or deemed made by the Borrower or Guarantor in this Agreement and/or in any of the Loan Documents or which is contained in any guaranty, certificate, document, opinion, or financial or other statement furnished at any time under or in connection with any Loan Document shall prove to have been incorrect or misleading in any material respect on or as of the date made or deemed made; or

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(e) Failure to Pay Other Indebtedness. Borrower or Guarantor shall: (a) fail to pay any indebtedness for borrowed money (other than indebtedness owed to the Lender), or any interest or premium thereon, when due or within any applicable grace period (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) which failure could, in the commercially reasonable judgment of the Lender, result in a material adverse effect on Borrower's or such Guarantor's financial condition, unless Borrower or such Guarantor is maintaining a good faith meritorious defense to such failure to pay, or (b) fail to perform or observe any material term, covenant, or condition on its part to be performed or observed under any agreement or instrument relating to any such indebtedness and such failure is not cured within any applicable grace period, when required to be performed or observed, if the effect of such failure of payment or to perform or observe could, in the commercially reasonable judgment of the Lender, result in a material adverse effect on Borrower's or such Guarantor's financial condition, unless Borrower or such Guarantor is maintaining a good faith meritorious defense to such failure to perform; or any such indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof resulting, in the commercially reasonable judgment of the Lender, in a material adverse effect on Borrower's or such Guarantor's financial condition; or

(f) Inability to Pay Debts; Bankruptcy. Borrower or Guarantor: (a) shall generally not, or shall be unable to, or shall admit in writing its inability to pay its debts as such debts become due; or (b) shall make an assignment for the benefits of creditors, petition or apply to any tribunal for the appointment of a custodian, receiver, or trustee for it or a substantial part of its assets; or (c) shall commence any proceeding under any bankruptcy, reorganization, arrangements, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (d) shall have any such petition or application filed or any such proceeding commenced against it in which an order for relief is entered or adjudication or appointment is made and which remains undismissed for a period of thirty (30) days or more; or (e) by any act or omission shall indicate its consent to, approval of, or acquiescence in any such petition, application, or proceeding, or order for relief, or the appointment of a custodian, receiver, or trustee for all or any substantial part of its properties; or (f) shall suffer any such custodianship, receivership, or trusteeship to continue undischarged for a period of thirty (30) days or more; or

(g) Default under Other Agreements. Any event of default after the expiration of any applicable cure period, as defined in any loan or similar agreement to which Borrower or Guarantor is now or hereafter a party or upon the occurrence of which any holder or holders of indebtedness outstanding thereunder may declare the same due and payable, shall occur including, without limitation, any default under any debt owed by Borrower or Guarantor to the Lender other than that evidenced by the Note; or

(h) Failure to Comply with Statutes, Rules and Regulations. Borrower or Guarantor shall in any material respect fail to comply with any statute, rule, regulation, ordinance, order, or other law or judicial decree applicable to Borrower or such Guarantor, its premises or assets and cure is not effected within ten (10) days after the non-compliant party receives notice of such default from the Lender; or

(i) Judgments. One or more judgments, decrees, or orders for the payment of money shall be rendered against Borrower or Guarantor and such judgments, decrees, or orders shall continue unsatisfied and in effect for a period of thirty (30) consecutive days without being vacated, discharged, satisfied, or stayed or bonded pending appeal resulting, in the commercially reasonable judgment of the Lender, in a material adverse effect on Borrower's or such Guarantor's financial condition; or

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(j) Sale or Transfer of Property. If Borrower sells or transfers or causes the sale or transfer of all or any portion of the Property in contravention of the terms of this Agreement without Lender's prior written consent; or

(k) Other Defaults. If there shall occur, and shall thereupon continue beyond any applicable grace or curative period, any other event or circumstance that constitutes a default or Event of Default under the terms of this (i) Agreement, (ii) any of the other Loan Documents, or (iii) any document evidencing or securing any other present or future extension of credit from Lender to Borrower; or

(l) Inability to Perform Duties. If: (i) the Lender has a reasonable good faith belief that Borrower or Guarantor is unable or will soon be unable to perform its duties under the Loan Documents; or (ii) the Lender has a reasonable, good faith belief that it is insecure as it relates to the market value of the Property and the market value exceeds that permitted by Section 3(q) hereof; or

(m) Impairment of Property or Lender's Rights in Property. If the Lender has a good faith belief that the Lender's rights in the Property are or will soon be impaired or that the Property itself will soon be impaired; or

(n) Existence of Borrower; Termination of Guaranty Agreement. If: (i) the existence of Borrower shall be liquidated, dissolved or terminated, or (ii) Borrower shall suspend or terminate a substantial portion of its business operations; or (iii) a Guaranty Agreement of Guarantor pertaining to the Loan is terminated or declared by a court of competent jurisdiction to be unenforceable or such Guarantor dies; or

(o) Attachment. Except as may be otherwise expressly provided hereunder, if an attachment or any other lien (mechanic's or otherwise) against the Property shall be issued or entered and shall remain undischarged or unbonded for thirty (30) days after the filing thereof; or

(p) Levy Upon the Property. If levy is made under any process on, or a receiver be appointed for, the Property or any other property of Borrower and such is not dismissed within thirty (30) days; or

(q) Transfer of Material Assets and Accurate Financial Statements. As a material inducement to the Lender's making of the Loan, Borrower and Guarantor covenant and agree that: (i) the most recently delivered financial statements to the Lender accurately reflect all of their respective assets (the "Assets") in the amounts and percentages listed on each of their respective financial statements; (ii) the assets listed on the financial statements delivered to the Lender are directly owned by Borrower and/or Guarantor, as applicable, and if such assets are owned by a trust or another entity it is so noted; and (iii) during the remaining Term of the Loan, no material Assets shall be transferred to another person, entity or trust without the prior written consent of the Lender, which consent will not be withheld, conditioned or delayed; or

(r) Bankruptcy, Receivership, Insolvency, Etc. If Borrower or Guarantor shall commit an act of bankruptcy within the meaning of the Federal Bankruptcy Code, or if bankruptcy, receivership, insolvency, reorganization, dissolution, liquidation or other similar proceedings shall be instituted by or against Borrower or Guarantor for all or any part of its property under the Federal Bankruptcy Code or other law of the United States or of any state or other competent jurisdiction (domestic or foreign) and, if against Borrower or Guarantor, it shall consent thereto or shall fail to cause the same to be discharged within ninety (90) days; or

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(s) Modification of Agreements. If Borrower materially modifies or amends any contract, agreement or other document in violation of any provision of this Agreement or the other Loan Documents without Lender's prior written consent; or

(t) Material Adverse Change. A material adverse change occurs in the financial condition of Borrower or Guarantor, including, but not limited to, cash flow, liquidity and net worth, loan to value limitations as set forth herein; or

(u) Guaranty. If (i) any Guaranty Agreement provided to the Lender by Guarantor shall cease to be in full force and effect, (ii) Guarantor, if a natural person, shall die or become legally incompetent, or (iii) Guarantor shall deny or disaffirm its obligations under the Guaranty Agreement executed by such Guarantor in favor of the Lender; or

(v) Post-Closing Requirements. Borrower's failure to provide to Lender and/or Lender's counsel any and all post-closing requirements, if any; or

(w) Notices by Borrower Pursuant to Florida Statutes §697.04(1)(b). If Borrower shall file for or record a notice limiting the maximum principal amount secured by the Mortgage to an amount less than the amount specified in Section 5.1 of the Mortgage; or

(x) Default under Other Obligations to Lender or its Affiliates. If a default shall occur under any obligations including, without limitation, under any promissory notes or loan documents, owed by Borrower or Guarantor to the Lender or to any affiliate of Lender and such default is not cured within any applicable cure period.

7. **Remedies Upon Default**. If an Event of Default occurs, except where otherwise provided in this Agreement or the Loan Documents, all commitments and obligations of Lender under this Agreement or the Loan Documents or any other agreement with Borrower will terminate (including any obligation to make further advances under the Loan), and, at Lender's option during the continuance of such Event of Default, all indebtedness will immediately become due and payable, all without notice of any kind to Borrower or Guarantor. In addition, Lender shall have all the rights and remedies provided in the Loan Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

8. **Intentionally Omitted**.

9. **Partial Release**. The Lender agrees to cooperate in all reasonable respects to release any of the encumbered Properties from the lien of the Mortgage, provided that:

(a) There shall exist no default or Event of Default under this Agreement or default under any of the Note, the Mortgage or the other Loan Documents;

(b) In the event that a partial release of any of the Property would result in a loan to value percentage that is not acceptable to the Lender, Borrowers shall reduce the outstanding principal balance of the Loan to an amount necessary to restore compliance with a loan to value percentage pursuant to Section 3(o) hereof;

(c) Borrowers shall deliver to the Bank:

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i. evidence that the release of Property from the lien of the Mortgage does not adversely affect the rights of any tenant under any Lease, rental income generated from any Lease or other income generated from the Property;

ii. Borrowers shall have delivered to the Lender an endorsement with regard to the Bank's existing mortgagee's title insurance policy that (i) extends the date of such title insurance policy to the effective date of the release, (ii) insures that the priority of the Mortgage is not affected, and (iii) insures the rights and benefits of any new or amended easement agreement affecting the Property;

iii. a compliance certificate executed by Borrower to establish that Borrower is in compliance with all financial covenants set forth herein and that there are is no Event of Default or event that with the passage of time would constitute an Event of Default; and

iv. Borrowers shall have paid 100% of the net proceeds after payment of reasonable and customary closing costs all of the Lender's reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees and disbursements) incurred in connection with the Property and the review and approval of the documents and information required to be delivered in connection therewith, such that the loan-to-value ratio, collectively, is equal to the lower of that required in Section 3(o) or that at the time of such release. In addition, Borrowers shall have paid reasonable out-of-pocket costs and expenses of third parties relating to the release (including, without limitation, the cost of title, survey charges and recording costs, and the cost of a zoning report) incurred in connection with the release of Property.

**10. Commitment; Commitment Fee.** Borrower acknowledges that, as a condition to the execution of this Agreement and the funding of the Loan, it has paid or shall pay to Lender, a commitment fee in the amount of \_\_\_\_\_ (\$ \_\_\_\_\_) (the "**Commitment Fee**"). Borrower expressly acknowledges and agrees that Borrower's payment of the Commitment Fee at or prior to closing is a material term hereof and that Lender would not otherwise agree to the terms of this Agreement if such Commitment Fee was not paid.

**11. Prepayment.** Borrower shall have the right to prepay all or any portion of the principal of this Note at any time without notice, premium or penalty for the privilege of such prepayment. In the event of full prepayment, all accrued interest and other charges shall be paid at the same time as full principal prepayment. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments. Any prepayments shall be applied to the last installments due under this Note.

**12. Documentary Stamp Tax.** Borrower hereby agrees to defend, indemnify, and hold Lender harmless from and against any and all liability for mortgage tax, documentary stamp taxes or intangible taxes (together with all interest, penalties, costs, and attorneys' fees incurred in connection therewith) that at any time may be levied, assessed, or imposed by any jurisdiction in which the Property lies or any other governmental entity or agency (i) upon the Note, the Mortgage, or any of the other Loan Documents, (ii) upon any promissory note, mortgage or other document that was amended, extended or renewed by the Note, the Mortgage or any of the other Loan Documents, (iii) upon any amendment, extension, or renewal of any of the foregoing, or (iv) upon Lender by virtue of owning or holding any of the foregoing instruments or documents; all of which shall be secured by the lien and security interest of the Loan Documents. The provisions of this Section shall survive the repayment of the Note and the satisfaction of the Mortgage and the other Loan Documents for so long as any claim may be asserted by the State of Florida or any such other governmental entity or agency.

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13. **Severability.** Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision hereof shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity only, without invalidating the remainder of such provision or of the remaining provisions of this Agreement.

14. **Consent to Loan Participation.** Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchaser of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset, setoff or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

15. **Expenses; Indemnification.** The Loan shall be made without cost to Lender. Borrower covenants and agrees to pay all costs, expenses and charges, including, without limitation, all reasonable fees and charges of legal counsel, surveyors and appraisers incurred by Lender in connection with (i) the preparation for and consummation of the transactions contemplated hereby or for the performance hereof and of the other Loan Documents, and for any services which may be required in addition to those normally contemplated hereby and (ii) the enforcement hereof or of any or all of the other Loan Documents. If Borrower fails to pay promptly any costs, charges or expense required to be paid by it as aforesaid, and Lender pays such costs, charges or expenses, Borrower shall reimburse Lender on demand for the amounts so paid, together with interest thereon at the "**Default Rate**" (as said quoted term is defined in the Note). Borrower further agrees to indemnify Lender and its directors, officers, employees and agents from, and hold each of them harmless against, (x) any and all losses arising out of or by reason of any investigation or litigation or other proceedings (including any threatened investigation or litigation or other proceedings) relating to any actual or proposed use by Borrower of the proceeds of the Loan, including, without limitation, the fees and disbursements of counsel incurred in connection with any such investigation, litigation or other proceedings and (y) any and all claims, actions, suits, proceedings, costs, expenses, losses, damages and liabilities of any kind, including in tort, penalties and interest, arising out of or by reason of any matter relating, directly or indirectly, to the Mortgage or the ownership, condition, development, construction, sale, rental or financing of the Property or any part thereof (but excluding any such losses, liabilities, claims, damages or expenses incurred solely by reason of the gross negligence or willful misconduct of the party to be indemnified). The obligations of Borrower under this Section shall survive the repayment of all amounts due under or in connection with any of the Loan Documents and the termination of the Loan. Borrower does hereby agree to indemnify and save Lender harmless from any and all damage, loss, cost and expense, including reasonable attorneys' fees, whether or not an action is brought, which Lender might at any time incur or sustain by reason of the failure of Borrower to strictly comply with the provisions of this Agreement. Lender's rights under this paragraph shall include all reasonable attorneys' fees and costs incurred incident to any post-judgment, appellate, bankruptcy or other insolvency proceedings.

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401 E. Jackson Street, Suite 3100  
Tampa, FL 33602  
Email: LukeM@jpfirm.com

provided, however, that any party may change its address for purposes of receipt of any such communication by giving at least ten (10) days' written notice of such change to the other parties in the manner above prescribed. Any notice given in accordance with the above provisions shall be deemed received and effective on the date of delivery by prepaid guaranteed overnight delivery service or courier, the date of facsimile transmission or electronic mail (provided a hard copy is placed in the United States Mail, postage prepaid, or by prepaid overnight courier on the same date), or the third Business Day after the date on which it is placed in the United States Mail, postage prepaid. Borrower hereby irrevocably appoints, designates and authorizes Lender as its agent to file for record any notices that Lender deems necessary or desirable to protect its interest hereunder or under the Note or the Loan Documents, provided such actions do not further increase Borrower's obligations under the Loan. Borrower shall forward to Lender copies of all notices given or received by Borrower to or from any contractor, subcontractor, materialman or other person having a lien under the Florida Construction Lien Law, promptly upon the giving or receipt of such notice, if such notice is related to any alleged failure of Borrower to make proper payments under the Florida Construction Lien Law or is otherwise related to any claim of lien, or potential claim of lien, against the Property.

**21. Binding Effect.** This Agreement shall bind the successors and assigns of the parties hereto. It constitutes the entire understanding of the parties, and it may not be modified except in writing. Notwithstanding the foregoing, Borrower shall have no right to assign the Loan, this Agreement or the Loan Documents without Lender's prior written consent.

**22. Time is of the Essence.** It is specifically agreed that time is of the essence of this Agreement, and that no waiver of any obligation or requirement hereunder shall at any time be held to be a waiver of the terms hereof.

**23. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original.

**24. Execution.** This Agreement shall not be effective, nor shall it have any force and effect whatsoever until all the parties hereto have duly executed this Agreement.

**25. Headings.** The headings of the paragraphs contained in this Agreement are for convenience of reference only and do not form a part hereof and in no way modify, interpret or construe the meaning of the parties hereto.

*[Remainder of Page Left Intentionally Blank; Signature Pages to Follow]*

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IN WITNESS WHEREOF, this Loan Agreement has been duly executed by the parties hereto as of the date first written above.

**BORROWER:**

**GIPIIL 525 S Perryville Rd, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**BORROWER**

**SUNNY RIDGE MHP LLC**, a Florida limited liability company

By: /s/ Richard N. Hornstrom  
Name: Richard N. Hornstrom  
Title: Managing Member

**GUARANTOR**

GENERATION INCOME PROPERTIES, L.P., a Delaware limited partnership

By: Generation Income Properties, Inc., a Maryland corporation, its General Partner

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**GUARANTOR**

/s/ David Sobelman  
DAVID SOBELMAN

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IN WITNESS WHEREOF, this Loan Agreement has been duly executed by the parties hereto as of the date first written above.

**LENDER**

**VALLEY NATIONAL BANK**, a national banking association

By: /s/ Kyle Bellini  
Name: Kyle Bellini  
Its: CRE Loan Officer

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**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

PARCEL A:

LOT 2 AS DESIGNATED UPON THE PLAT OF WILLIAMS MANNY SUBDIVISION OF PART OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 44 NORTH, RANGE 2 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH SUBDIVISION IS RECORDED IN BOOK 40 OF PLATS ON PAGE 27A IN THE RECORDER'S OFFICE OF WINNEBAGO COUNTY, ILLINOIS.

PARCEL B:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AS SET FORTH IN EASEMENT AGREEMENT DATED DECEMBER 5, 2012 BY AND BETWEEN FIRST ROCKFORD GROUP, INC., 555 REAL ESTATE, L.L.C. AND LABRADOR GROUP, L.L.C., RECORDED MARCH 20, 2013 AS DOCUMENT NO, 20131011893.

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**EXHIBIT "B"**  
**RENT ROLL**

## GUARANTY OF PAYMENT

This GUARANTY OF PAYMENT (this "Guaranty") is made and given on April 1, 2022 by DAVID SOBELMAN, individually and David Sobelman, as President of Generation Income Properties, Inc., a Maryland corporation, General Partner of Generation Income Properties, L.P., a Delaware limited partnership ("Guarantor") to VALLEY NATIONAL BANK, a national banking association (the "Lender").

**CONTINUING GUARANTY OF PAYMENT.** For good and valuable consideration, Guarantor absolutely and unconditionally guarantees and promises to pay to the Lender or its order, in legal tender of the United States of America, the Indebtedness (as that term is defined below) of **GIPIL 525 S PERRYVILLE RD, LLC**, a Delaware limited liability company and **SUNNY RIDGE MHP LLC**, a Florida limited liability company (hereinafter collectively, the "**Borrower**") to Lender on the terms and conditions set forth in this Guaranty. Under this Guaranty, the liability of Guarantor is limited and continuing as set forth herein.

**THE LOAN TRANSACTION.** Borrower, Guarantor and Lender are parties to a Loan Agreement (the "Loan Agreement") of even date herewith relating to a Loan from Lender to Borrower evidenced by Borrower's Promissory Note (the "Note") of even date herewith payable to the Lender in the principal amount of Two Million One Hundred Thousand and No/100 Dollars (\$2,100,000.00). The Indebtedness is secured in part by that certain Mortgage and Security Agreement (the "Mortgage") of even date herewith. The Loan Agreement, the Note, the Mortgage and all loan documents executed and delivered by the Borrower and the Lender relating to the loan evidenced by the Note are referred to collectively herein as the "Loan Documents". Borrower's payment obligations to Lender under the Loan Documents constitutes the "Indebtedness." Capitalized terms used in this Guaranty that are not expressly defined herein shall have the meanings ascribed thereto in the Loan Agreement. To the extent of any conflict between the definitions contained herein and those in the Loan Agreement, the definitions in the Loan Agreement shall control.

### AGREEMENTS

NOW, THEREFORE, intending to be legally bound, Guarantor, in consideration of the matters described in the foregoing Recitals, which Recitals are incorporated herein and made a part hereof, and for other good and valuable consideration the receipt and sufficiency of which are acknowledged, hereby covenants and agrees, for the benefit of Lender and its successors, endorsees, transferees, participants and assigns as follows:

1. (a) Guarantor hereby absolutely, unconditionally, and irrevocably guarantees payment of, and agrees to indemnify, defend and hold harmless Lender for, from and against any loss, damage, cost, expense, liability, claim or other obligation suffered by or incurred by Lender (including attorneys' fees and costs) arising out of, resulting from or in connection with the following:

(i) physical waste to or of the Property or the removal or disposal of any portion of the Property not in the ordinary course of business which occurs after an Event of Default;

(ii) the misapplication, misappropriation or conversion by Borrower of (A) any insurance proceeds paid by reason of any loss, damage or destruction to the Property, (B) any awards or other amounts received in connection with the condemnation of all or a portion of the Property, or (C) any rents following an Event of Default;

(iii) the failure of Borrower to timely pay taxes, assessments, insurance premiums or other charges in a manner inconsistent with the terms of the Loan Agreement;

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- (iv) the failure of Borrower to maintain the insurance required by the Loan Documents;
- (v) the failure of Borrower to pay all operating expenses of the Property due to any misappropriation of funds from the Property;
- (vi) any security deposits, advance deposits or any other deposits collected with respect to the Property which are not delivered to Lender upon a foreclosure of the Property or action in lieu thereof, except to the extent any such security deposits were applied in accordance with the terms and conditions of any of the Leases prior to the occurrence of the Event of Default that gave rise to such foreclosure or action in lieu thereof; or
- (vii) a transfer or change in ownership or management in violation of the Loan Agreement; or
- (viii) Borrower makes any distribution or loan to its members, investors, manager, managing member or related or unrelated entities in violation of the Loan Agreement;
- (ix) Borrower obtains any subordinate financing or encumbers the Property with any other voluntary lien; or
- (x) Borrower obtains financing in violation of the Loan Agreement.

(b) In addition, upon the occurrence of a Trigger Event (defined below), and notwithstanding the provisions set forth above, Guarantor guarantees to Lender the punctual payment when due, whether at maturity, by acceleration or otherwise, of all principal, interest, indemnification indebtedness, and all other sums due to Lender in respect of the Loan under the Note, the Loan Agreement, the Mortgage, the Environmental Indemnification Agreement and any of the other Loan Documents. As used herein, a "Trigger Event" shall mean and refer to the occurrence of any of the following:

- (i) Borrower or Guarantor is convicted of a felony (whether by verdict, pleading or similar final resolution);
- (ii) fraud, material misrepresentation or willful misconduct by Borrower or Guarantor in connection with the Loan;
- (iii) Borrower or Guarantor file a bankruptcy petition, or any involuntary bankruptcy petition is filed against either Borrower or Guarantor;
- (iv) Borrower or Guarantor commit an act of bankruptcy within the meaning of the Federal Bankruptcy Code, or if bankruptcy, receivership, insolvency, reorganization, dissolution, liquidation or other similar proceedings shall be instituted by or against Borrower or Guarantor for all or any part of its or his property under the Federal Bankruptcy Code or other law of the United States or of any state or other competent jurisdiction (domestic or foreign) and, if against Borrower or Guarantor, it shall consent thereto or shall fail to cause the same to be discharged within sixty (60) days;
- (v) Guarantor or any affiliate, officer, director, or representative which controls Borrower consents to or acquiesces in or joins in an application for the



appointment of a custodian, receiver, trustee, or examiner for Borrower or any portion of the Property;

(vi) Borrower makes an assignment for the benefit of creditors;

(vii) Borrower contests, delays or otherwise hinders any action taken by Lender in connection with the appointment of a receiver for the Property or the foreclosure of the liens, deeds to secure debt or other security interests created by any of the Loan Documents; or

(viii) Borrower's violation of the Americans With Disabilities Act.

2. Guarantor absolutely, unconditionally, and irrevocably, guarantees the full and prompt payment of any Enforcement Costs (as hereinafter defined in Section 7 hereof) (the "Enforcement Costs Obligations").

The Enforcement Costs Obligations, together with Guarantor's other obligations under this Guaranty, including the obligations set forth in Section 1 hereof, are referred to collectively as the "Obligations."

3. Guarantor does hereby (a) waive notice of acceptance of this Guaranty by Lender and, except as specifically set forth herein or in the other Loan Documents, any and all notices and demands of every kind that may be required to be given by any statute, rule or law, (b) waive all suretyship defenses, (c) waive, and agree to refrain from asserting, any defense, right of set-off or other claim that Guarantor or Borrower may have against Lender or the holder of the Note, but Guarantor may bring a separate claim or separate action against such party, (d) waive any and all rights Guarantor may have under any anti-deficiency statute or other similar protections, (e) waive any and all rights and defenses Guarantor may have: (i) because the Note is secured by real property, (ii) under or by virtue of any anti-deficiency, "one form of action" and other similar laws, or (iii) under or by virtue of laws that would limit or discharge Borrower's indebtedness, (f) waive presentment for payment, demand for payment, notice of nonpayment or dishonor, protest and notice of protest, diligence in collection and any and all formalities which otherwise might be legally required to charge Guarantor with liability, (g) waive any and all rights or defenses Guarantor may have by reason of any election of remedies by Lender, (h) waive, at all times while this Guaranty is in effect, any and all rights of subrogation, reimbursement, indemnification and contribution from and against Borrower, and (i) waive any failure by Lender to inform Guarantor of any facts Lender may now or hereafter know about Borrower, the Property, the Loan, or the transactions contemplated by the Loan Agreement, it being understood and agreed that Lender has no duty to so inform and that Guarantor is fully responsible for being and remaining informed by Borrower of all circumstances bearing on the risk of nonperformance of the Obligations. Credit may be granted or continued from time to time by Lender to Borrower without notice to or authorization from Guarantor, regardless of the financial or other condition of Borrower at the time of any such grant or continuation. Lender shall have no obligation to disclose or discuss with Guarantor its assessment of the financial condition of Borrower. Guarantor acknowledges that no representations of any kind whatsoever have been made to Guarantor by Lender. No modification or waiver of any of the provisions of this Guaranty shall be binding upon Lender except as expressly set forth in a writing duly signed and delivered on behalf of Lender.

4. Guarantor further agrees that his liability as guarantor shall not be impaired or affected by any renewals or extensions of the Loan which may be made from time to time, with or without the knowledge or consent of Guarantor of the time for payment of interest or principal under the Note or by any forbearance or delay in collecting interest or principal under the Note, or by any waiver by Lender under the Loan Agreement, Mortgage or any other Loan Documents, or by Lender's failure or election not to pursue any other remedies it may have against Borrower or Guarantor, or by any change or modification

in the Note, Loan Agreement, Mortgage or any other Loan Document, or by any error or omission of any third party (without waiving any recourse or other right or remedy Guarantor may have against any of the foregoing as a result of the error or omission, other than against Lender), or by the acceptance by Lender of any additional security or any increase, substitution or change therein, or by the release by Lender of any security or any withdrawal thereof or decrease therein, or by the application of payments received from any source to the payment of any obligation owing to the Lender under the Loan Documents other than the indebtedness due under the Note, even though Lender might lawfully have elected to apply such payments to any part or all of the indebtedness due under the Note, it being the intent hereof that, subject to Lender's compliance with the terms of this Guaranty and the Loan Documents, Guarantor shall remain liable for the performance of the Obligations guaranteed hereby, notwithstanding any act or thing that might otherwise operate as a legal or equitable discharge of a surety. Guarantor further understands and agrees that Lender may at any time enter into agreements with Borrower to amend and modify the Note, Loan Agreement, Mortgage or other Loan Documents, and may waive or release any provision or provisions of the Note, Loan Agreement, Mortgage and other Loan Documents or any thereof, and, with reference to such instruments, may make and enter into any such agreement or agreements as Lender and Borrower may deem proper and desirable, without in any manner impairing or affecting this Guaranty or any of Lender's rights hereunder or Guarantor's obligations hereunder.

5. This is an absolute, present and continuing guaranty of payment and performance and not of collection. Guarantor agrees that this Guaranty may be enforced by Lender without the necessity at any time of resorting to or exhausting any other security or collateral given in connection herewith or with the Note, Loan Agreement, Mortgage or any of the other Loan Documents through foreclosure or sale proceedings, as the case may be, under the Mortgage or otherwise, or resorting to any other guaranties. Guarantor hereby waives any right to require Lender to join Borrower in any action brought hereunder or to commence any action against or obtain any judgment against Borrower or to pursue any other remedy or enforce any other right. Guarantor further agrees that nothing contained herein or otherwise shall prevent Lender from pursuing concurrently or successively all rights and remedies available to it at law and/or in equity or under the Note, Loan Agreement, Mortgage or any other Loan Documents, and the exercise of any of its rights or the completion of any of its remedies shall not constitute a discharge of the Obligations, it being the purpose and intent of Guarantor that the Obligations shall be absolute, independent and unconditional under any and all circumstances whatsoever. None of the Obligations or any remedy for the enforcement thereof shall be impaired, modified, changed or released in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Borrower under the Note, Loan Agreement, Mortgage or other Loan Documents or by reason of the bankruptcy of Borrower or by reason of any creditor or bankruptcy proceeding instituted by or against Borrower. This Guaranty shall continue to be effective or be reinstated (as the case may be) if at any time payment of all or any part of any sum payable pursuant to the Note, Loan Agreement, Mortgage or any other Loan Document is rescinded or otherwise required to be returned by Lender upon the insolvency, bankruptcy, dissolution, liquidation, or reorganization of Borrower, or upon or as a result of the appointment of a receiver, intervenor, custodian or conservator of or trustee or similar officer for, Borrower or any substantial part of its property, or otherwise, all as though such payment to Lender had not been made, regardless of whether Lender contested the order requiring the return of such payment.

6. Lender may assign to one or more persons or entities all or a portion of its rights and obligations under this Guaranty, the Note, the Loan Agreement and the other Loan Documents. From and after the effective date specified in any such assignment, the assignee thereunder shall have all rights and remedies of Lender against Guarantor pursuant to the terms of this Guaranty. In addition, if Lender or any holder of the Note shall assign the Note to any lender or other person or entity to secure a loan from such lender or other person or entity to Lender or such holder, Guarantor will accord full recognition thereto and agree that all rights and remedies of Lender or such holder hereunder against Guarantor pursuant to the terms of this Guaranty shall be enforceable against Guarantor by Lender or other entity with the same force and effect and to the same extent as would have been enforceable by Lender or such holder but for such

assignment; provided, however, that unless Lender shall otherwise consent in writing, Lender shall have an unimpaired right, prior and superior to that of its assignee or transferee, to enforce this Guaranty for Lender's benefit to the extent any portion of the indebtedness pursuant to the Note or any interest therein is not assigned or transferred. Lender may, in connection with any assignment or participation or proposed assignment or participation of all or any portion of Lender's interest in the Loan and the Loan Documents, disclose to the assignee or participant or proposed assignee or participant, as the case may be, any information relating to Guarantor that has been furnished to Lender by or on behalf of Guarantor.

7. If: (a) Guarantor defaults in his obligations pursuant to this Guaranty and this Guaranty is placed in the hands of an attorney for collection or is collected through any legal proceeding; (b) an attorney is retained to represent Lender in any bankruptcy, reorganization, receivership, or other proceedings affecting creditors' rights and involving Guarantor; (c) an attorney is retained to enforce this Guaranty; or (d) an attorney is retained to represent Lender in any proceedings whatsoever in connection with this Guaranty, then Guarantor shall pay to Lender, upon demand all attorney's fees, costs and expenses incurred in connection therewith (all of which are referred to herein as "Enforcement Costs"), in addition to all other amounts specifically due hereunder, regardless of whether all or a portion of such Enforcement Costs are incurred in a single proceeding brought to enforce this Guaranty as well as the other Loan Documents.

8. Until the Loan has been repaid and without limiting any provision hereof or Lender's rights under applicable Law, Guarantor shall not transfer any material portion of his assets except for reasonably equivalent consideration or as otherwise done in the ordinary course of business.

Guarantor shall furnish an annual updated financial statement and a schedule of real estate holdings to the Lender within three-hundred sixty-five (365) days following the Guarantor's previous submission of an annual updated financial statement to Lender. All financial statements required hereunder shall be consistently prepared, certified by the Guarantor as being correct and complete as of the date prepared, and shall include a complete description of all contingent liabilities, including, without limitation, all indebtedness guaranteed. Guarantor shall also annually furnish to Lender a copy of Guarantor's federal income tax return as filed with the Internal Revenue Service within ten (10) days of filing, unless an extension is filed for the tax return, then Guarantor shall furnish to Lender a copy of Guarantor's income tax return within ten (10) days after any permitted extension date. Failure to provide any of the information required in this paragraph shall be a default hereunder (provided any applicable cure period has expired) and under the Note. In addition, Guarantor shall provide Lender with such information regarding the operations, business affairs and financial condition of Guarantor as Lender may reasonably request. If any material adverse change shall occur in the financial condition of Guarantor at any time during the term of the Loan from the financial condition revealed in statements presented to and accepted by Lender, or if Guarantor shall (i) file a voluntary petition in bankruptcy or seek similar relief, (ii) make a general assignment for the benefit of creditors, (iii) be alleged to be insolvent or unable to pay his debts in any legal proceeding, (iv) be convicted of a felony (whether by verdict, pleading or similar final resolution), (v) fail duly to observe on time any covenant, condition or agreement of this Guaranty or any other Loan Document, or if Guarantor shall die or be adjudged incompetent, Lender shall have the right to declare this Guaranty and the Note which it secures to be in default. Notwithstanding the foregoing if Guarantor dies or is adjudged incompetent and within thirty (30) days of such event a new guarantor is provided or additional collateral is provided which new guarantor or collateral is acceptable to Lender in Lender's sole and absolute discretion, then this shall not be a default under this Guaranty or the Note which it secures.

9. The parties hereto intend and believe that each provision in this Guaranty comports with all applicable local, state and federal laws and judicial decisions. However, if any provision or provisions, or if any portion of any provision or provisions, in this Guaranty is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of this Guaranty to be illegal, invalid, unlawful, void or unenforceable as written, then it is the intent of all parties hereto that such portion,

provision or provisions shall be given force to the fullest possible extent that they are legal, valid and enforceable, that the remainder of th is Guaranty shall be construed as if such illegal, invalid, unlawful, void or unenforceable portion, provision or provisions were not contained therein, and that the rights, obligations and interest of Lender or the holder of the Note under the remainder of this Guaranty shall continue in full force and effect.

10. TO THE GREATEST EXTENT PERMITTED BY LAW, GUARANTOR HEREBY WAIVES ANY AND ALL RIGHTS TO REQUIRE MARSHALLING OF ASSETS BY LENDER.

11. THIS GUARANTY SHALL BE GOVERNED BY, CONSTRUED, APPLIED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF FLORIDA WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES, AND GUARANTOR AGREES THAT THE PROPER VENUE FOR ANY MATTERS IN CONNECTION HERewith SHALL BE IN THE STATE OR FEDERAL COURTS LOCATED IN TAMPA, FLORIDA, AS LENDER MAY ELECT AND GUARANTOR HEREBY SUBMITS HIMSELF TO THE JURISDICTION OF SUCH COURTS FOR THE PURPOSE OF ADJUDICATING ANY MATTERS RELATED HERETO, PROVIDED, HOWEVER, THAT TO THE EXTENT THE MANDATORY PROVISIONS OF THE LAWS OF ANOTHER JURISDICTION RELATING TO (i) THE PERFECTION OR THE EFFECT OF PERFECTION OR NON-PERFECTION OF THE SECURITY INTERESTS IN ANY OF THE PROPERTY, (ii) THE LIEN, ENCUMBRANCE OR OTHER INTEREST IN THE PROPERTY GRANTED OR CONVEYED BY THE MORTGAGE, OR (iii) THE AVAILABILITY OF AND PROCEDURES RELATING TO ANY REMEDY HEREUNDER OR RELATED TO THE MORTGAGE ARE REQUIRED TO BE GOVERNED BY SUCH OTHER JURISDICTION'S LAWS, SUCH OTHER LAWS SHALL BE DEEMED TO GOVERN AND CONTROL.

12. GUARANTOR (BY HIS ACCEPTANCE HEREOF) FURTHER AGREES AND CONSENTS THAT, IN ADDITION TO ANY METHODS OF SERVICE OF PROCESS PROVIDED FOR UNDER APPLICABLE LAW, ALL SERVICE OF PROCESS MAY BE MADE, TO THE EXTENT PERMITTED BY LAW, BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO THE APPLICABLE PARTY AT THE ADDRESS INDICATED BELOW, AND SERVICE SO MADE SHALL BE COMPLETE UPON RECEIPT; EXCEPT THAT IF SUCH PARTY SHALL REFUSE TO ACCEPT DELIVERY (AS OPPOSED TO BEING UNABLE TO RECEIVE DELIVERY), SERVICE SHALL BE DEEMED COMPLETE FIVE (5) DAYS AFTER THE SAME SHALL HAVE BEEN SO MAILED.

13. Any indebtedness of Borrower to Guarantor now or hereafter existing is hereby subordinated to the performance of the Obligations. Guarantor agrees that, until the entire indebtedness due to Lender has been paid in full, Guarantor will not seek, accept, or retain for his own account, any payment from Borrower on account of such subordinated debt, except as expressly permitted by the Loan Agreement. Any payments to Guarantor on account of such subordinated debt in violation of the foregoing sentence shall be collected and received by Guarantor in trust for Lender and shall be paid over to Lender on account of the indebtedness under the Loan Documents without impairing or releasing the obligations of Guarantor hereunder.

14. Any amounts received by Lender from any source on account of the Loan may be utilized by Lender for the payment of the indebtedness under the Loan Documents in such order as Lender may from time to time elect, except as otherwise expressly provided in the Loan Documents. Additionally, if the indebtedness guaranteed hereunder is less than the full indebtedness of Borrower under the Loan Documents, all rents, proceeds and avails of the Property, and all proceeds of realization of Lender's collateral, shall be deemed applied to the indebtedness of Borrower to Lender that is not guaranteed by Guarantor until such unguaranteed indebtedness of Borrower to Lender has been fully repaid before being applied to the indebtedness guaranteed by Guarantor. Any payments made by Guarantor pursuant to the

Environmental Indemnification Agreement shall not be subject to, applied against or reduce the liability of Guarantor hereunder.

15. EACH OF GUARANTOR AND LENDER (BY ITS ACCEPTANCE HEREOF) HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHT UNDER THIS GUARANTY OR ANY OTHER LOAN DOCUMENT OR RELATING THERETO OR ARISING FROM THE LENDING RELATIONSHIP WHICH IS THE SUBJECT OF THIS GUARANTY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

16. To induce Lender to make the Loan, Guarantor makes the following representations and warranties to Lender as set forth in this Section. Guarantor acknowledges that but for the truth and accuracy of the matters covered by the following representations and warranties, Lender would not have agreed to make the Loan.

(a) Any and all balance sheets, net worth statements, and other financial data with respect to Guarantor which have heretofore been given to Lender by or on behalf of Guarantor fairly and accurately present the financial condition of Guarantor as of the respective dates thereof.

(b) The execution, delivery, and performance by Guarantor of this Guaranty has been duly authorized and this Guaranty creates legal, valid, and binding obligations of Guarantor enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws.

(c) To the best of Guarantor's knowledge, the execution, delivery, and performance by Guarantor of this Guaranty does not and will not contravene or conflict with (i) any law, order, rule, regulation, writ, injunction or decree now in effect of any government authority, or court having jurisdiction over Guarantor, (ii) any contractual restriction binding on or affecting Guarantor or Guarantor's property or assets which may adversely affect Guarantor's ability to fulfill his obligations under this Guaranty, or (iii) the instruments creating any trust holding title to any assets included in Guarantor's financial statements.

(d) Except as disclosed in writing to Lender, there is no written action, proceeding, or investigation pending or, to Guarantor's knowledge, threatened or affecting Guarantor, which could reasonably be expected to materially and adversely affect Guarantor's ability to fulfill his obligations under this Guaranty. There are no judgments or orders for the payment of money rendered against Guarantor for an amount in excess of \$25,000.00 which have been undischarged for a period of ten (10) or more consecutive days and the enforcement of which is not stayed by reason of a pending appeal or otherwise. Guarantor is not in default under any agreements which could reasonably be expected to materially and adversely affect Guarantor's ability to fulfill his obligations under this Guaranty.

(e) Guarantor shall deliver or cause to be delivered all financial statements, reports and certificates relating to Guarantor required pursuant to the terms of the Loan Agreement to be delivered to Lender at the times and in the form required by the terms of the Loan Agreement.

(f) Guarantor shall not engage in any transaction which would cause any obligation, or action taken or to be taken, hereunder or under any other Loan Document (or the exercise by Lender of any of its rights under this Guaranty, the Note, or the other Loan Documents) to be a non-exempt prohibited transaction under ERISA or Section 4975 of the Internal Revenue Code.

(g) As of the date hereof, and after giving effect to this Guaranty and the contingent obligations evidenced hereby, Guarantor is and expects to be solvent at all times, and has and expects to have assets at all times which, fairly valued, exceed his obligations, liabilities and debts, and has and expects to have property and assets at all times sufficient to satisfy and repay his obligations and liabilities.

(h) All statements set forth in the Recitals are true and correct in all material respects.

All of the foregoing representations and warranties shall be deemed made as of the date hereof and remade on the date of each disbursement of Loan proceeds, and upon any extension of the Loan pursuant to the Loan Agreement. Guarantor hereby agrees to indemnify, defend and hold Lender free and harmless from and against all loss, cost, liability, damage, and expense, including attorney's fees and costs, which Lender may sustain by reason of the inaccuracy or breach of any of the foregoing representations and warranties as of the date the foregoing representations and warranties are made.

17. Notwithstanding anything to the contrary set forth herein, the obligations of Guarantor under this Guaranty shall specifically exclude the Excluded Swap Obligations. For purposes hereof, the following terms shall mean:

“**Commodity Exchange Act**” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“**Excluded Swap Obligation**” means, with respect to Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the guaranty of Guarantor of, or the grant by Guarantor of a security interest to secure, such Swap Obligation (or any guaranty thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guaranty of Guarantor or the grant of such security interest becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guaranty or security interest is or becomes illegal.

“**Swap Obligation**” means, with respect to Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

18. This Guaranty shall be binding upon the respective heirs, executors, legal and personal representatives, successors and assigns of Guarantor and shall not be discharged in whole or in part by the death of Guarantor. If more than one party executes this Guaranty, the liability of all such parties shall be joint and several.

19. Lender shall be entitled to honor any request for Loan proceeds made by Borrower and shall have no obligation to see to the proper disposition of such advances. Guarantor agrees that his obligations hereunder shall not be released or affected by reason of any improper disposition by Borrower of such Loan proceeds.

20. This Guaranty may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

21. Any and all amounts required to be paid by Guarantor hereunder shall be paid to Lender in United States currency at such place as Lender may, from time to time, in writing appoint.

22. Except as otherwise provided herein, Lender does not intend the benefits of this Guaranty to inure to any third party, other than Lender's successors and/or assigns and no third party (including Borrower), other than Lender's successors and/or assigns shall have any status, right or entitlement under this Guaranty.

23. This Guaranty may not be supplemented, extended, modified or terminated except by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

24. Consent Not Unreasonably Withheld. For greater clarity and except as otherwise specifically provided, whenever consent or approval of Lender is required under the terms of this Agreement, the Loan Agreement or any other Loan Document, such consent or approval shall not be unreasonably withheld or delayed.

***[Remainder of Page Intentionally Left Blank; Signature Page Follows]***

**GUARANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH IN THE SECTION TITLED "DURATION OF GUARANTY". NO FORMAL ACCEPTANCE BY LENDER IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE.**

**GUARANTOR:**

/s/ David Sobelman  
**DAVID SOBELMAN**

**GUARANTOR:**

**GENERATION INCOME PROPERTIES, L.P.**, a Delaware limited partnership

By: Generation Income Properties, Inc., a Maryland corporation, its General Partner

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

*Signature Page to Guaranty of Payment*



**THIS INSTRUMENT PREPARED BY  
AND RETURN TO:**

T. Luke Markham, Esq.  
Johnson, Pope, Bokor, Ruppel & Burns, LLP  
401 E. Jackson Street  
Suite 3100  
Tampa, Florida 33602

Space above this line for Recorder's use only

**MORTGAGE AND SECURITY AGREEMENT**

THIS MORTGAGE AND SECURITY AGREEMENT (the "**Mortgage**") is made effective as of April 1, 2022, by **GIPIL 525 S PERRYVILLE RD, LLC**, a Delaware limited liability company and **SUNNY RIDGE MHP LLC**, a Florida limited liability company (hereinafter collectively, the "**Mortgagor(s)**" or "**Grantor**") and **VALLEY NATIONAL BANK**, a national banking association or its successors or assigns whose address is 4790 140th Avenue N., Clearwater, Florida 33762 (hereinafter called the "**Mortgagee**" or "**Beneficiary**") (which term when used in every instance shall include the Mortgagee's successors and assigns), and for the benefit of the applicable trustee where required and provided for in **Exhibit "A"** attached hereto;

**WITNESSETH:**

That for valuable considerations, and also in consideration of the aggregate sums of money described in that certain Promissory Note of even date herewith in the amount of Two Million One Hundred Thousand and No/100 Dollars (\$2,100,000.00) (hereinafter referred to as the "**Note**"), which may be amended from time to time and which has a natural maturity date of April 1, 2032 (the "**Maturity Date**"), the Mortgagor does grant, mortgage, bargain, sell, assign, alien, remise, release, convey, with power of sale and right of entry and possession, and confirm unto the Mortgagee, in fee simple, a mortgage upon and security interest in that certain real estate or leasehold estate, as applicable, of which the Mortgagor is now seized and possessed and in actual possession, situate in Rockford, Winnebago County, Illinois and as more particularly described in **Exhibit "A"** attached hereto and made a part hereof. Hereinafter said real estate, buildings, improvements (including improvements to be made hereafter), furniture, fixtures and equipment herein below described and located on said real estate are sometimes each referred to a "**Premises**" or collectively referred to as the "**Premises.**"

TOGETHER with all of Mortgagor's gas and electrical fixtures, heaters, space heaters, engines and machinery, boilers, ranges, elevators and motors, bathtubs, sinks, water closets, basins, pipes, faucets and other air conditioning, plumbing and heating fixtures, drapes, mirrors, mantles, refrigerating plants, dishwashers and appurtenances, and all building material and equipment now or hereafter delivered to the Premises and intended to be installed therein; such other goods, furnishings, equipment now or hereafter delivered to the Premises and intended to be installed therein; such other furniture, fixtures, goods, equipment, chattels and personal property as are usually furnished by landlords in the letting of all or any portion of the Premises of the character currently owned by Mortgagor (or as hereafter improved and owned by Mortgagor) and all renewals or replacements thereof or articles in substitution thereof and all of the estate, right, title and interest of the Mortgagor in and to all property of any nature whatsoever, now or

hereafter situated on the Premises or intended to be used in connection with the operation thereof, all of which shall be deemed to be fixtures and an accession to the freehold and a part of the realty as between the parties hereto and all persons claiming by, through or under them and shall be deemed to be a portion of the security for the indebtedness herein mentioned and secured by this Mortgage.

TOGETHER with all and singular the rights, interests and appurtenances whatsoever, in any way belonging, relating or appertaining to any of the Premises herein above mentioned or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by the Mortgagor, including but not limited to all of Mortgagor's sewer capacity rights, all other capacity rights, and Mortgagor's rights under contracts, all building permits, D.O.T. driveway permits, and other permits, agreements, approvals, utility commitments, licenses and all other documents, payments, fees, impact fees, prepaid tap fees, commitment fees, deposit and sums paid affecting the Premises, and all rents, profits, issues and revenues of the Premises from time to time accruing, whether under leases or tenancies now existing or hereafter created, reserving only the right to the Mortgagor to collect the same so long as the Mortgagor is not in default hereunder and so long as the same are not subjected to garnishment levy, attachment or lien. In addition, the Mortgagor hereby assigns, transfers and conveys to Mortgagee, its successors and assigns, all of the Mortgagor's right, title and interest in, to and under all leases now or hereafter leasing or affecting the Premises or any part thereof.

TOGETHER with all electronic chattel paper, investment property, deposit accounts, and letter of credit rights relating to the Premises now owned or hereto acquired by Mortgagor.

TOGETHER with all of Mortgagor's right, title and interest in and to the following:

- (a) All fixtures and articles of property of Mortgagor now or hereafter attached to, or used or adapted for use in the operation or maintenance of, the Premises (whether such items be leased, be owned absolutely or subject to any title retaining or security instrument, or be otherwise used or possessed), including without limitation all heating, cooling, air conditioning, ventilating, refrigerating, plumbing, generating, power/lighting, laundry, maintenance, incinerating, lifting, cleaning, fire prevention and extinguishing, security and access control, cooking, gas, electric and communication fixtures, equipment and apparatus, all engines, motors, conduits, pipes, pumps, tanks, ducts, compressors, boilers, water heaters and furnaces, all ranges, stoves, disposers, refrigerators and other appliances, all escalators and elevators, all cabinets, partitions, mantels, built-in mirrors, window shades, blinds, screens, awnings, storm doors, windows and sash, all carpeting, underpadding and draperies, all equipment, all furnishings of public spaces, halls and lobbies, and all shrubbery and plants; all of which items shall be deemed part of the real property and not severable wholly or in part without material injury to the freehold; provided, however, that personal property and trade fixtures owned or supplied by the tenants of the Premises with the right of removal at the termination of their tenancies shall not be included within the scope of this paragraph;
- (b) All present and future contracts and policies of insurance which insure the Premises or any building, structures or improvements thereon, or any such fixtures or personal property, against casualties and theft, and all monies and proceeds and rights thereto which may be or become payable by virtue of any such insurance contracts or policies;
- (c) All permits and licenses, easements, all access, air and development rights, all minerals and oil, gas and other hydrocarbon substances, all royalties, all water and water rights and all other rights, hereditaments, privileges, permits, licenses, franchises and appurtenances now or hereafter belonging in any way appertaining to the Premises;

- (d) All of the rents, revenues, issues, profits and income of the Premises, whether under leases or tenancies now existing or hereafter created, reserving only the right to the Mortgagor to collect the same so long as the Mortgagor is not in default and so long as the same are not subject to garnishment, levy, attachment or lien; and all right, title and interest of Mortgagor in and to all present and future leases and other agreements for the occupancy or use of all or any part of the Premises, and all right, title and interest of Mortgagor thereunder, including without limitation all cash or security deposits, advance rentals and deposits or payments of similar nature, and all right, title and interest of Mortgagor in and to all present and future management agreements or contracts regarding the Premises;
- (e) All general intangibles of Mortgagor relating to the development or use of the Premises, including without limitation all permits, licenses and franchises, all names under or by which the Premises may at any time be operated or known, and all rights to carry on business under any such names or any variant thereof, and all trademarks, trade names, logos and good will in any way relating to the Premises;
- (f) All shares of stock or other evidence of ownership of any part of the Premises that is owned by Mortgagor in common with others, and all documents of membership in any owners' or members' association or similar group having responsibility for managing or operating any part of the Premises;
- (g) All awards, compensation and settlements in lieu thereof made as a result of the taking by power of eminent domain of the whole or any part of the Premises, including any awards for damages sustained to the Premises for a temporary taking, change in grade of streets or taking of access; and
- (h) All products and proceeds of all of the foregoing.

TO HAVE AND TO HOLD the Premises and all parts, rights, members and appurtenances thereof, to the use, benefit and behalf of the Mortgagee, its successors and assigns in fee simple forever, and the Mortgagor covenants that the Mortgagor is lawfully seized and possessed of the Premises in fee simple and has good right to convey the same, that the same are unencumbered excepting taxes not yet due and payable, and those certain exceptions appearing on the Mortgagee's Title Insurance Policy given in connection herewith and specifically approved by Mortgagee, and that the Mortgagor will warrant and defend the title thereto against the claims of all persons whomsoever, except as hereinafter expressly provided.

This Mortgage is given to secure payment and performance of all of the obligations under (i) the Note, pursuant to the terms and conditions of the Note, together with all interest accrued thereon, and together with any and all modifications, renewals and/or extensions thereof, (ii) that certain Loan Agreement of even date herewith executed by Mortgagor and Mortgagee and as may be amended from time to time (the "**Loan Agreement**"), and (iii) and all other documents evidencing or relating to the indebtedness under the Note and/or securing the Note.

The Mortgagor covenants with the Mortgagee as follows:

#### ARTICLE 1

**1.1. Payment of Indebtedness.** The Mortgagor will pay the Note according to the tenor thereof and all other sums secured hereby promptly as the same shall become due.

**1.2. Monthly Deposits.** At Mortgagee's option following a default of this Mortgage or a default under the Loan Documents (as hereinafter defined) after the expiration of all applicable notice and opportunity to cure provisions herein or therein, Mortgagor will deposit with the Mortgagee a sum which, in the estimation of the Mortgagee, shall be equal to one-twelfth of the annual taxes, assessments and insurance premiums due in connection with the ownership of the Premises. The deposits shall be held by Mortgagee in a separate accounts (and not commingled with any other funds of Mortgagee) free of interest, and free of any liens or claims on the part of creditors of the Mortgagor and as part of the security of the Mortgagee, and shall be used by the Mortgagee to pay current taxes, assessments and insurance premiums on each Premises as the same accrue and are payable. The deposits shall not be, nor be deemed to be, trust funds. If the deposits are insufficient to pay the taxes, assessments and insurance premiums in full as the same become payable, the Mortgagor will deposit with the Mortgagee such additional sum or sums as may be required in order for the Mortgagee to pay such taxes and assessments in full. Upon any default hereunder or under the Note or Loan Documents, which default is not cured during any applicable notice and cure period, the Mortgagee may, at its option, apply any money in the fund resulting from the deposits to the payment of the indebtedness secured hereby in such manner as it may elect. In the event that there is a shortfall in the funds needed to satisfy the taxes and insurance premiums referenced herein, Mortgagor shall pay, within ten (10) calendar days' notice of such deficiency, all sums required by Mortgagee to ensure the payment of the taxes, assessments and insurance premiums.

**1.3. Taxes, Liens and Other Charges.**

- (a) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of debts secured by mortgages or the manner of collecting taxes so as to affect adversely the Mortgagee, the Mortgagor will promptly pay any such tax; if the Mortgagor fails to make such prompt payment or if any such state, federal, municipal or other governmental law, order, rule or regulation prohibits the Mortgagor from making such payment or would penalize the Mortgagee from making such payment or would penalize the Mortgagee if the Mortgagor makes such payment, then the entire balance of the principal sum secured by this Mortgage and all interest accrued thereon shall, without notice, immediately become due and payable at the option of the Mortgagee.
- (b) The Mortgagor will pay, before the same become delinquent, all taxes, liens, assessments and charges of every character already levied or assessed or that may hereafter be levied or assessed upon or against each Premises and all utility charges, whether public or private; and upon demand will furnish to the Mortgagee receipted bills evidencing such payment.
- (c) The Mortgagor will not suffer any mechanic's, materialmen's, laborer's, statutory or other lien which might or could be prior to or equal to the security interest and mortgage liens of this Mortgage to be created or to remain outstanding upon any part of the Premises.
- (d) Mortgagor, at its expense, may contest, after prior written notice to Mortgagee, by appropriate legal proceedings conducted in good faith and with due diligence, the amount, validity or application, in whole or in part, of any taxes, liens, assessments or charges levied or assessed upon the Premises or any mechanic's, materialmen's, laborer's, statutory or other lien filed against the Premises, so long as such proceedings operate to prevent the collection or other realization thereon and the sale or forfeiture of the Premises or any part thereof to satisfy the same or the impairment of Mortgagee's lien; provided that (i) during such contest Mortgagor shall, at the option of Mortgagee, provide Mortgagee with security reasonably satisfactory to Mortgagee, assuring the payment of the Indebtedness and of any additional interest, charge, penalty or expense arising from or incurred as a result of such contest, and (ii) if at any time Mortgagee reasonably determines that

the payment of any obligation imposed upon Mortgagor under this Paragraph 1.3 shall become necessary to prevent either the sale or forfeiture of the Premises or any part thereof to satisfy the same or the imposition of any liability on Mortgagee, then Mortgagor shall immediately pay the same.

**1.4. Insurance.** Mortgagor shall maintain or caused to be maintained the following insurance on each Premises:

- (a) **Hazard/Liability/Windstorm.** General liability and excess liability insurance, providing hazard, windstorm, fire, casualty, machine and boiler, business interruption, terrorism, liability, and theft coverage and such other hazards and contingencies as Mortgagee may reasonably require from time to time and with a replacement cost endorsements, loss of rents endorsement and such other endorsements as Mortgagee may require from time to time, all in such form, amount and with self-retentions, reasonably satisfactory to Mortgagee, and naming Mortgagee as an additional insured covering Mortgagee's interest in each Premises. In addition, during any period of construction, Mortgagor shall cause the policy evidencing such fire and extended coverage insurance for each Premises to be in the so called "Builder's Risk 100% Completed Value Non-Reporting" form.
- (b) **Flood.** If required by Mortgagee and to the extent such Premises is in a flood zone, Mortgagor shall provide evidence of flood insurance which shall be in an amount equal to the maximum insurable value of any vertical improvements.
- (c) **Public Liability.** Public liability insurance insuring against all claims for personal or bodily injury, death or property damage occurring upon, in or about each Premises with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate and with insurers and in a form acceptable to Mortgagee.
- (d) **General Requirements.** All such insurance at all times will be in an insurance company or companies with coverages and terms reasonably acceptable to the Mortgagee, with loss, if any, payable to the Mortgagee as its interest may appear, pursuant to a noncontributory mortgagee clause which shall be satisfactory to the Mortgagee and addressed to: Valley National Bank, ISAOA/ATIMA, Insurance Center, PO Box 17540, Clearwater, Florida 33762. All policies shall provide that they will not be materially modified or canceled without thirty (30) days' prior written notice to Mortgagee. Upon the issuance of such policies the Mortgagor will deliver to the Mortgagee receipts for the premiums paid thereon and original or certified copies of such policies or certificates of insurance, as reasonably required by Mortgagee. Any policies furnished to the Mortgagee shall become its property in the event the Mortgagee becomes the owner of the Premises by foreclosure or otherwise. From and after a default hereunder (after the expiration of applicable notice and opportunity to cure provisions) the Mortgagee is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies on the Premises, and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses directly to the Mortgagee. In case of loss under any such policy of insurance, the Mortgagee may apply the net proceeds to the payment of the indebtedness hereby secured, whether due or not until the indebtedness is fully paid and provided further that Mortgagee has no further obligations under the Loan Documents (as hereinafter defined), the remainder shall go to the Mortgagor. Notwithstanding the foregoing, provided an Event of Default under the Loan Documents has not occurred, the Mortgage remains in full force and effect, and either (i) the insurance proceeds are sufficient to fully restore or repair the improvements in accordance with the original plans and specifications approved by Mortgagee, or (ii) Mortgagor deposits an amount with Mortgagee sufficient to compensate for any deficiency in the insurance proceeds necessary to fully restore and repair the improvements, then the insurance

proceeds from a casualty shall be made available to Mortgagor in order to restore the improvements. In addition, Mortgagor shall carry, on a minimum basis, the coverage that has been previously provided to the Mortgagee.

**1.5. Care of Premises.**

- (a) The Mortgagor will keep the improvements now or hereafter erected on the Premises in good condition and repair, will not commit or suffer any material waste and will not do or suffer to be done anything which will increase the risk of fire or other hazard to the Premises or any part thereof.
- (b) The Mortgagor will not remove or demolish nor materially alter the design or structural character of any building (now or hereafter erected), fixture or chattel which is part of the security or other part of the Premises without the prior written consent of the Mortgagee, which consent shall not be unreasonably withheld, conditioned or delayed, or except as otherwise specifically provided in the Loan Documents.
- (c) If the Premises or any part thereof is damaged by fire or any other cause, the Mortgagor will give immediate written notice of the same to the Mortgagee.
- (d) The Mortgagee or its representative is hereby authorized to enter upon and inspect the Premises at any time during normal business hours upon reasonable prior notice.
- (e) The Mortgagor will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Premises or any part thereof including, but not limited to, the Americans with Disabilities Acts of 1990 (“**ADA**”). Mortgagor covenants, warrants and agrees, that during the term of this Mortgage and so long as any amounts due under the Loan remain unpaid, Mortgagor will indemnify and hold harmless Mortgagee for any violation of the ADA and the rules promulgated thereof and pertaining to any existing improvements and any new improvements, renovations, remodel, or repair.
- (f) If all or any part of the Premises shall be damaged by fire or other casualty, the Mortgagor will, upon request of the Mortgagee and Mortgagee’s release of insurance proceeds to Mortgagor, promptly restore the Premises to the equivalent of its condition immediately prior to such damage, and if a part of the Premises shall be damaged through condemnation, the Mortgagor will, upon request of Mortgagee, and Mortgagee’s release of condemnation proceeds to Mortgagor promptly restore, repair or alter the remaining part of the Premises in a manner satisfactory to the Mortgagee. Provided, however, that if tenant leases do not require restoration and/or repair, but instead, Mortgagor may, at its option, cause damaged improvements to be razed and the land to be leveled, cleared and otherwise put in good order.

**1.6. Further Assurances: Modifications.** At any time, and from time to time, upon request by the Mortgagee, the Mortgagor will make, execute and deliver or cause to be made, executed and delivered, to the Mortgagee, any and all other further instruments, certificates and other documents as may, in the reasonable opinion of the Mortgagee, be necessary or desirable in order to effectuate, complete, or perfect or to continue and preserve (i) the obligations of the Mortgagor under the Note, (ii) the security interest of this Mortgage, and (iii) the mortgage lien hereunder. Upon the occurrence of an Event of Default not cured within any applicable cure period, the Mortgagee may make, execute and record any and all such instruments, certificates and documents for and in the name of the Mortgagor and the Mortgagor hereby irrevocably appoints the Mortgagee the agent and the attorney in fact of the Mortgagor so to do.

**1.7. Leases Affecting the Premises.** The Mortgagor shall perform all covenants to be performed by it under any and all leases now or hereafter on the Premises or any part thereof. Upon request of the Mortgagee, the Mortgagor shall, by written instrument in form and substance satisfactory to the Mortgagee, collaterally assign to the Mortgagee its interest in each and every lease hereafter entered into by the Mortgagor leasing all or any part of the Premises. The terms “lease” and “leases” as used in this Paragraph 1.7 shall include all tenancies.

**1.8. Expenses.** In addition to the expenses described in subparagraph 2.6(b) hereof, the Mortgagor will pay or reimburse the Mortgagee for all reasonable attorneys’ fees, costs and expenses, including those in connection with appellate proceedings, incurred by the Mortgagee in any proceedings involving the estate of a deceased or insolvent guarantor, or in any action, legal proceeding or dispute of any kind in which the Mortgagee is a plaintiff or defendant, arising in connection with the indebtedness secured hereby, this Mortgage or the interest created herein, or the Premises, including but not limited to the exercise of the power of sale of this Mortgage, any condemnation action involving the Premises or any action to protect the security hereof; and any such amounts paid by the Mortgagee shall be secured by this Mortgage.

**1.9. Amounts Secured.** All amounts due and owing to the Mortgagee pursuant to the Note, Mortgage or any other Loan Document shall be secured by the lien of this Mortgage.

**1.10. Subrogation.** The Mortgagee shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the indebtedness secured hereby.

**1.11. Performance by Mortgagee of Defaults by Mortgagor.** If the Mortgagor shall default in the payment of any tax, lien, assessment or charge levied or assessed against the Premises; in the payment of any utility charge, whether public or private; in the payment of any insurance premium; in the procurement of insurance coverage and the delivery of the insurance policies required hereunder; in the performance of any covenant, term or condition of any leases affecting all or any part of the Premises; or in the performance or observance of any covenant, condition or term of this Mortgage; then the Mortgagee, at its option, may perform or observe the same, and all payments made or costs incurred by the Mortgagee in connection therewith, shall be secured hereby and shall be, within ten (10) days following written notice to Mortgagor, repaid by the Mortgagor to the Mortgagee with interest thereon at the default rate as provided in the Note. The Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or any part thereof for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to the Mortgagor or any other person in possession holding under the Mortgagor.

**1.12. Condemnation.** If all or any part of the Premises shall be damaged or taken through condemnation (which term when used in this Mortgage shall include any damage or taking by any governmental authority and any transfer by private sale in lieu thereof), either temporarily or permanently, which taking in Mortgagee’s sole discretion will result in a material impairment to the security granted to Mortgagee, then the entire indebtedness secured hereby shall, at the option of the Mortgagee (provided, however, Mortgagee agrees that so long as the taking does not affect any of the improvements of the Premises, Mortgagee’s determination shall be in its reasonable discretion), become immediately due and payable. The Mortgagee shall be entitled to all compensation, awards, and other payments or relief thereof and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or the Mortgagor’s name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. All such compensation, awards, damages, claims, rights of action and proceeds and the right thereto are hereby assigned by the Mortgagor to the Mortgagee, who after deducting therefrom all its expenses, including attorneys’ fees, shall release any monies so received by it without affecting this Mortgage and may apply the same in such manner as the Mortgagee shall determine, to the reduction of the sum secured hereby and any balance of such monies then remaining shall be paid to the Mortgagor. The

Mortgagor agrees to execute such further assignment of any compensation, awards, damages, claims, rights of action and proceeds as the Mortgagee may require.

**1.13. Financial Statements and Reports.** Mortgagor, and all associated guarantors of the obligations contained in the Loan Documents, shall submit to Mortgagee copies of filed tax returns (including attached schedules) within thirty (30) calendar days of filing. All individual guarantors shall also submit to Mortgagee annual personal financial statements in a form reasonably satisfactory to Mortgagee within thirteen (13) months of the preceding personal financial statement throughout the term of the loan evidenced by the Note. The Mortgagor shall furnish to the Mortgagee the following information related to the Premises: occupancy reports, delinquency reports, manager reports, rent rolls, accounts payable aging and any other information and or reports as reasonably requested by Mortgagee. The Mortgagor shall provide such other financial information or statements which the Mortgagee may reasonably request by not less than ten (10) days prior written notice from time to time, all to be in form and content reasonably satisfactory to the Mortgagee. All financial statements must be certified by the Mortgagor as correct and complete in all material respects and they shall be prepared in a form acceptable to Mortgagee. Such financial statements shall include a complete description of all contingent liabilities, including, without limitation, all indebtedness guaranteed. Failure to provide any of the information required in this paragraph, following ten (10) calendar days' written notice to Mortgagor, shall be a default under the Loan Documents. Mortgagor shall further covenant and agree that Mortgagee shall have the absolute right to inspect Mortgagor's books and records concerning each Premises on reasonable prior notice and during reasonable business hours. In addition, Mortgagor shall promptly, from time to time, furnish to Mortgagee such other information regarding the operations, business, affairs and financial condition of Mortgagor as Mortgagee may reasonably request. Failure to furnish the financial statements required herein or to permit inspection of books shall constitute a default by the Mortgagor hereunder. If the Mortgagee requires additional information beyond what is required by this paragraph, then Mortgagee shall give the Mortgagor a ten (10) day notice of Mortgagee's requirement to provide such information.

**1.14. Environmental Condition of Premises.** Mortgagor, warrants and represents to Mortgagee that to the best of Mortgagor's knowledge and except as to those matters (if any) set forth in the Environmental Reports:

- (a) Each Premises is now and at all times hereafter will continue to be in full compliance with all federal, state and local environmental laws and regulations, including but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("**CERCLA**"), the Superfund Amendments and Reauthorization Act of 1986 ("**SARA**"), the Federal Water Pollution and Control Act, the Federal Clean Water Act, the National Environmental Policy Act, the Resource Conservation and Recovery Act of 1976 ("**RCRA**"), the Hazardous Material Transportation Act, the Federal Clean Air Act, Chapters 376 ("**Pollutant Discharge Prevention and Removal**"), 377 ("**Energy Resources**"), and 403 ("**Environmental Control**") or any applicable administrative code or statute in the state where the Property is located (hereinafter together with any amendments thereto "**Environmental Laws**");
- (b) As of the date hereof there are no hazardous materials, substances, wastes or other environmentally regulated substances (including without limitation, asbestos, polychlorinated biphenyls ("**PCB's**"), petroleum products, waste oils, toxic or radioactive materials, ammonia, chlorine, pesticides, bulk chemicals, substances listed in the United States Department of Transportation Table or by the Environmental Protection Agency (or any successor agency) as hazardous substances, or which are classified as hazardous or toxic under local, state or federal laws, rules or regulations) ("**Hazardous Substances**") located on, in or under each Premises or used in connection therewith in violation of any applicable Environmental Laws;



- (c) The Premises is not on any Hazardous Substance cleanup list of any governmental authority;
- (d) Mortgagor has not received a summons, citation, directive, letter or other communication, written or oral, from any governmental authority including, but not limited to any agency or department of the State where the Property is located or the United States government nor has any action ever been commenced or threatened by any governmental authority concerning any intentional or unintentional action or omission on Mortgagor's part which resulted in the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping of Hazardous Substances into or onto the Premises;
- (e) The Premises has never been used by Mortgagor, to generate, manufacture, refine, transport, treat, store, handle or dispose of Hazardous Substances, and Mortgagor does not intend to use any part of the Premises, for such purposes;
- (f) No part of the Premises or any building, structure or facility currently located thereon or improvement thereto contain or contained asbestos or have or have had asbestos containing materials installed thereon or therein at any time during or prior to Mortgagor's ownership or operation thereof;
- (g) No part of the Premises nor any building, structure or facility currently located thereon or improvement thereto contain or contained PCB's or have or have had electrical transformers, fluorescent light fixtures, ballasts or other equipment containing PCB's installed thereon or therein at any time during or prior to Mortgagor's ownership or operation thereof;
- (h) No part of the Premises has nor any building, structure or facility currently located thereon or improvement thereto are or have been used as a sanitary landfill, and no Hazardous Substances have been buried, spilled or disposed of on or within the boundaries of the Premises, at any time during or prior to Mortgagor's ownership or operation thereof; and
- (i) There is no occurrence or condition on any real property adjoining the Premises that could cause the Premises or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Premises under any Environmental Laws.

## ARTICLE 2

**2.1. Due on Sale or Further Encumbrance Clause.** In determining whether or not to make the loan secured hereby, Mortgagee examined the credit-worthiness of Mortgagor, found it acceptable and relied and continues to rely upon same as the means of repayment of the loan. Mortgagee also evaluated the background and experience of Mortgagor in owning and operating property such as the Premises, found it acceptable and relied and continues to rely upon same as the means of maintaining the value of each Premises which is Mortgagee's security for the loan. Mortgagor is a business person or entity well-experienced in borrowing money and owning and operating property such as the Premises, and bargained at arm's length and without duress of any kind for all of the terms and conditions of the loan, including this provision. Mortgagor further recognizes that any secondary or junior financing placed upon the Premises (a) may divert funds which would otherwise be used to pay the Note secured hereby; (b) could result in acceleration and foreclosure by any such junior encumbrance which would force Mortgagee to take measures and incur expenses to protect its security; (c) would detract from the value of the Premises should Mortgagee come into possession thereof with the intention of selling same; and (d) impair Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear the title to the Premises.

In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security both of repayment by Mortgagor and the value of the Premises; (ii) giving Mortgagee the full benefit of its bargain and contract with Mortgagor; and (iii) keeping the Premises free of subordinate financing liens, Mortgagor agrees that if this paragraph be deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Premises or any interest therein (whether voluntarily or by operation of law) without the Mortgagee's prior written consent, which will not be unreasonably withheld, conditioned or delayed provided that Mortgagee shall be paid all sums due and owing under the Loan Documents, shall be an Event of Default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the Premises and therefore an Event of Default hereunder:

- (a) any sale, conveyance, assignment, or other transfer of or the grant of a security interest in, all or any part of the title to the Premises, except with Mortgagee's consent not be unreasonably withheld, conditioned or delayed provided that Mortgagee shall be paid all sums due and owing under the Loan Documents;
- (b) any new or additional encumbrances, secured financing or secured liabilities with respect to the Premises, without the prior written consent of Mortgagee;
- (c) any unsecured financings or liabilities of Mortgagor or any guarantor made or incurred without the prior written consent of Mortgagee, except trade payables as incurred in the ordinary course of business; provided, however, that such trade payables shall not at any time exceed \$25,000.00 per property without the prior written consent of Mortgagee; and
- (d) any change in the present structure of ownership of Mortgagor that constitutes a change in control of the ownership, without first obtaining Mortgagee's prior written consent.

Any consent by the Mortgagee, or any waiver of an Event of Default, under this paragraph shall not constitute a consent to, or waiver of any right, remedy or power of the Mortgagee upon a subsequent Event of Default under this paragraph.

**2.2. Default.** A default shall have occurred hereunder if:

- (a) The Mortgagor shall fail to pay, within ten (10) days of when due, any scheduled installment of principal, interest, or late charges as required by the Note, this Mortgage and otherwise; or
- (b) The Mortgagor shall fail duly to observe on time any other covenant, condition or agreement of this Mortgage or of any other instrument evidencing, securing or executed in connection with the indebtedness secured hereby, including but not limited to, the Loan Agreement, as may be amended from time to time (herein this Mortgage, the Note, the Loan Agreement and all other documents and instruments executed by Mortgagor or delivered to Mortgagee in connection with the loan secured hereby are sometimes collectively called the "**Loan Documents**") and such failure or breach is not cured to Mortgagee's satisfaction within thirty (30) days after the Mortgagor receives notice of such default from the Mortgagee, provided, however, if the nature of the default is such that it is not capable of being cured within 30 days, then so long as the Mortgagor is actively and continuously attempting to cure such default, the Mortgagor shall not be deemed in default for such breach; or

- (c) Any warranties or representations made or agreed to be made in any of the Loan Documents shall be breached in any material respect by the Mortgagor or shall prove to be false or misleading as of the date made; or
- (d) Any lien for labor or material or otherwise shall be filed against the Premises, which has not been bonded or released within thirty (30) days after filing the same; or
- (e) Any judgment shall be extended against the Mortgagor which, could substantially impair the ability of the Mortgagor to perform each and every one of its obligations under and by virtue of the Loan Documents; or
- (f) A levy shall be made under any process on, or a receiver be appointed for, the Premises or any other property of the Mortgagor; or
- (g) The Mortgagor or any guarantor of the Loan shall file a voluntary petition in bankruptcy, or any other petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation or similar relief for the Mortgagor under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtor; or
- (h) The Mortgagor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Mortgagor or of all or any part of the Premises or of any or all of the rents, revenues, issues, earnings, profits or income thereof; or
- (i) In any legal proceeding the Mortgagor shall be alleged to be insolvent or unable to pay the Mortgagor's debts as they become due; or
- (j) The Mortgagor shall do, or shall omit to do, any act, or any event shall occur, as a result of which any obligation of the Mortgagor in favor of Mortgagee and/or its successors and assigns, not arising hereunder, may be declared immediately due and payable by the holder thereof; or
- (k) The Mortgagor shall commit a material event of default under the terms of any of the leases, contracts, and or agreements affecting all or any part of the Premises; or
- (l) The Mortgagor, without the prior written consent of the Mortgagee, voluntarily or by operation of law, shall sell, transfer, convey, or assign all or any part of the legal or equitable title to the Premises, or any part of, or interest in, the Premises; or
- (m) The Mortgagor, without the prior written consent of the Mortgagee, voluntarily or by operation of law, shall transfer, convey or assign the Premises, or any part of, or interest in, the Premises as security for an indebtedness other than for the indebtedness secured hereby; or
- (n) A breach by Mortgagor of any covenant, representation or warranty set forth in the Loan Agreement, or an Event of Default occurs under the terms of the Loan Agreement or any of the other Loan Documents; or
- (o) If Mortgagee reasonably determines that the likelihood of payment of the Note or performance of the other obligations secured by this Mortgage is threatened by reason of a material adverse change in the financial condition or credit standing of Mortgagor; or

(p) A material adverse change shall occur in the financial condition of any guarantor which, in Mortgagee's opinion, affects the ability of the guarantor to fulfill its obligations hereunder or under its guaranty, or any guarantor shall (i) file a voluntary petition in bankruptcy or seek similar relief, (ii) make a general assignment for the benefit of creditors, (iii) be alleged to be insolvent or unable to pay its debts in any legal proceeding, (iv) fail duly to observe on time any covenant, condition or agreement of this Mortgage, the guaranty, or any other Loan Document, or any individual guarantor shall die or be adjudged incompetent.

(q) In the event that Mortgagor voluntarily files a bankruptcy petition or Mortgagor is the subject of an involuntary bankruptcy petition, the Mortgagor agrees to the following: (i) that the bankruptcy case shall be dismissed as a "bad faith" filing "for cause" under 11 U.S.C. § 1112(b); (ii) that Mortgagee is entitled to the immediate entry of an order from the appropriate bankruptcy court granting Mortgagor complete relief from the automatic stay imposed by §362 of the Bankruptcy Code (11 U.S.C. §362) to exercise its foreclosure and other rights, including but not limited to obtaining a foreclosure judgment and foreclosure sale, upon the filing with the appropriate court of a motion for relief from the automatic stay. Mortgagor specifically agrees (1) that upon filing a motion for relief from the automatic stay, Mortgagee shall be entitled to relief from the stay without the necessity of an evidentiary hearing and without the necessity or requirement of the Mortgagee to establish or prove the value of the Premises and property securing the obligations under the Note and the Loan Documents, the lack of adequate protection of its interest in the Premises and property securing the obligations under the Note and the Loan Documents, or the lack of equity in the Premises and property securing the obligations under the Note and the Loan Documents; (2) that the lifting of the automatic stay hereunder by the appropriate bankruptcy court shall be deemed to be "for cause" pursuant to §362(d)(1) of the Bankruptcy Code (11 U.S.C. §362(d)(1)); and (3) that Mortgagor will not directly or indirectly oppose or otherwise defend against Mortgagee's efforts to gain relief from the automatic stay. Mortgagor acknowledges that this specific provision is an integral part to the Mortgagee's consideration for making the Loan.

For the purposes of this Paragraph 2.2, the term "**Mortgagor**" shall be construed as anyone or more of the parties comprising Mortgagor.

**2.3. Acceleration of Maturity.** If a default shall have occurred hereunder, following any applicable notice and cure periods, then the whole unpaid principal sum of the indebtedness secured hereby, together with interest accrued thereon, together with all fees, charges, costs, expenses and liabilities due and owing under the Loan Documents shall, at the option of the Mortgagee, become due and payable without notice or demand, time being of the essence of this Mortgage and of the Note secured hereby; and no omission on the part of the Mortgagee to exercise such option when entitled so to do shall be considered as a waiver of such right.

**2.4. Right of Mortgagee to Enter and Take Possession.**

(a) If any default shall have occurred under the Loan Documents, following any applicable notice and cure periods and shall be continuing, the Mortgagor, upon demand of the Mortgagee, shall forthwith surrender to the Mortgagee the actual possession of the Premises and if, and to the extent, permitted by law and subject to the rights of tenant(s) in possession under valid lease(s), the Mortgagee may enter and take possession of the Premises and may exclude the Mortgagor and the Mortgagor's agents and employees wholly therefrom. In the event Mortgagee exercises its right pursuant to this subparagraph (a), Mortgagee shall be deemed to be acting as agent of Mortgagor and not as owner of the Premises.

(b) For the purpose of carrying out the provisions of this Paragraph 2.4, the Mortgagor hereby constitutes and appoints the Mortgagee the true and lawful attorney in fact of the Mortgagor to do and perform, from time to time, any and all actions necessary and incidental to such purpose and does, by these presents, ratify and confirm any and all actions of said attorney in fact in the Premises.

(c) Whenever all such defaults have been cured and satisfied, the Mortgagee shall surrender possession of the Premises to the Mortgagor, provided that the right of the Mortgagee to take possession, from time to time, pursuant to subparagraph 2.4(a) shall exist if any subsequent default shall occur and be continuing.

**2.5. Leases; Assignment of Rents.** If any default shall have occurred under the Loan Documents, following any applicable notice and cure periods and shall be continuing, Mortgagee may, at its sole option, foreclose this Mortgage subject to any Leases, and the failure to make any lessee a defendant or to foreclose its rights shall not be a defense to any proceedings by Mortgagee to collect the sums secured hereby or for any deficiency unpaid after the foreclosure of the Premises. The assignment of rents contained in this Security Instrument is intended to, and does, constitute an assignment of rents as contemplated in the jurisdiction where the Property is located. If an Event of Default then exists, Lender shall be entitled to the remedies provided, in addition to all rights and remedies, whether procedural or substantive, in effect at the time of execution or enforcement of this Security Instrument. Nothing contained in this Section will diminish, alter, impair, or affect any other rights and remedies of Lender, including but not limited to, the appointment of a receiver, nor will any provision herein, diminish, alter, impair or affect any rights or powers of the receiver in law or equity or as set forth elsewhere in this Security Instrument. In addition, this assignment of rents will be fully operative without regard to value of the Property or without regard to the adequacy of the Property to serve as security for the obligations owed by Mortgagor to Lender, and will be in addition to any rights. Further, except for the notices required hereunder or in the Loan Agreement, if any, Mortgagor waives any notice of default or demand for turnover of rents, together with any rights under to apply to a court to deposit the rents into the registry of the court or such other depository as the court may designate.

**2.6. Appointment of a Receiver and Foreclosure.**

(a) If a default shall have occurred hereunder, following any applicable notice and cure periods and shall be continuing, then the whole debt secured by this Mortgage, with all interest thereon, and all other amounts hereby secured shall, at the option of Mortgagee, become immediately due and payable, and may forthwith or at any time thereafter be collected by suit at law, foreclosure or other proceeding upon this Mortgage or by any other proper, legal or equitable procedure without declaration of such option and without notice.

(b) In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all reasonable expenditures and expenses which may be paid or incurred by or on behalf of the Mortgagee for attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional debt secured hereby and shall be immediately due and payable with interest thereon at the default rate as provided in the Note, when paid or incurred by Mortgagee in connection with (i) any proceeding, including foreclosure, probate

and bankruptcy proceedings, to which it shall be a party, either as plaintiff, claimant, or defendant, by reason of this Mortgage, or any indebtedness hereby secured, (ii) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced, or (iii) preparations for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.

- (c) Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit, and in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period.
- (d) Mortgagor shall deliver to Mortgagee at any time on its request, all agreements for deed, contracts, leases, abstracts, title insurance policies, muniments of title, surveys and other papers relating to the Premises, and in case of foreclosure thereof and failure to redeem, the same shall be delivered to and become the property of the person obtaining a deed to the Premises by reason of such foreclosure.
- (e) ILLINOIS SPECIFIC PROVISIONS: Advances, disbursements and expenditures made by Mortgagee for the following purposes, whether before and during a foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, shall, in addition to those otherwise authorized by this Mortgage, constitute "**Protective Advances**":
- (1) all advances by Mortgagee in accordance with the terms of this Mortgage to: (A) preserve or maintain, repair, restore or rebuild the improvements upon the Property; (A) preserve the lien of this Mortgage or the priority thereof; or (A) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 5/15-1302 of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 et seq., as from time to time amended (the "**Act**");
  - (2) payments by Mortgagee of: (A) when due, installments of principal, interest or other obligations in accordance with the terms of any prior lien or encumbrance; (B) when due, installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the mortgaged real estate or any part thereof; (C) other obligations authorized by this Mortgage; or (D) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title to the Property, as referred to in Section 5/15-1505 of the Act;
  - (3) advances by Mortgagee in settlement or compromise of any claims asserted by claimants under any prior liens;
  - (4) reasonable attorneys' fees and other costs incurred: (A) in connection with the foreclosure of this Mortgage as referred to in Section 5/15-1504(d)(2) and 5/15-1510 of the Act; (A) in connection with any action, suit or proceeding brought by or against Mortgagee for the

enforcement of this Mortgage or arising from the interest of Mortgagee hereunder or under any of the other Loan Documents; or (A) in the preparation for the commencement or defense of any such foreclosure or other action;

(5) Mortgagee's fees and costs, including reasonable attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Subsection (b)(1) of Section 5/15-1508 of the Act;

(6) advances of any amount required to make up a deficiency in deposits for installments of taxes and assessments and insurance premiums as may be authorized by this Mortgage;

(7) expenses deductible from proceeds of sale as referred to in Subsections (a) and (b) of Section 5/15-1512 of the Act; and

(8) expenses incurred and expenditures made by Mortgagee for any one (1) or more of the following: (A) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or mortgagee takes possession of the Property imposed by Subsection (c)(1) of Section 5/15-1704 of the Act; (B) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (C) payments required or deemed by Mortgagee to be for the benefit of the Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Property; (D) shared or common expense assessments payable to any association or corporation in which the owner of the mortgaged real estate is a member in any way affecting the Property; (E) pursuant to any lease or other agreement for occupancy of the mortgaged real estate.

(b) All Protective Advances shall be so much additional Indebtedness, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the Default Rate.

(c) This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b)(5) of Section 5/15 -1302 of the Act.

(d) All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in the:

(1) determination of the amount of Indebtedness at any time;

(2) indebtedness found due and owing to Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;

(3) determination of amounts deductible from sale proceeds pursuant to Section 5/15-1512 of the Act;

(4) application of income in the hands of any receiver or mortgagee in possession; and

(5) computation of any deficiency judgment pursuant to Subsections (b)(2) and (e) of Section 5/15-1508 and Section 5/15 -1511 of the Act.

**2.7. Remedies Cumulative.** No right, power or remedy conferred upon or reserved by the Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

**2.8. Right of Re-Appraisal.** Should the Mortgagee, at any time during the term of this Mortgage, reasonably believe that the Premises may have deteriorated in market value for any reason, then the Mortgagee may cause a subsequent re-appraisal to be completed for the benefit of the Mortgagee, the cost of which shall be paid by the Mortgagor.

**2.9. Stamp and Excise Tax.** Mortgagor shall pay any and all documentary stamp taxes applicable to the full face amount of the Note, together with any and all intangible taxes due on the Note. If any additional mortgage stamp or excise tax shall become applicable with respect to this Mortgage, the Note, any loan or credit extended hereunder, or any security agreement, guaranty, the Loan Agreement or other document, the Mortgagor shall promptly pay such tax in full (including interest and penalties, if any) and shall hold the Mortgagee harmless with respect thereto. The Mortgagor's liability under this Paragraph 2.9 will survive the repayment of indebtedness under the Note.

### ARTICLE 3

**3.1. Successors and Assigns Included in Parties.** Whenever in this Mortgage one of the parties hereto is named or referred to, the heirs, legal representatives, successors and assigns of such parties shall be included and all covenants and agreements contained in this indenture by or on behalf of the Mortgagor and by or on behalf of the Mortgagee shall bind and inure to the benefit of their respective heirs, legal representatives, successors and assigns, whether so expressed or not. Provided, however, that the Mortgagor shall have no right to assign its obligations hereunder without the prior written consent of the Mortgagee.

**3.2. Headings.** The headings of the sections, paragraphs and subdivisions of this Mortgage are for the convenience of reference only, are not to be considered a part hereof and shall not limit or otherwise affect any of the terms hereof.

**3.3. Invalid Provisions to Affect No Others.** If fulfillment of any provision hereof or any transaction related hereto or to the Note, at the time performance of such provisions shall be due, shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and if any clause or provision herein contained operates or would prospectively operate to invalidate this Mortgage in whole or in part, then such clause or provision only shall be held for naught, as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect. Notwithstanding any provision contained herein, the total liability of Mortgagor for payment of interest, including service charges, penalties or any other fees pursuant to Paragraph 1.8, subparagraph 2.6(b) or otherwise shall not exceed the maximum amount of such interest permitted by applicable law to be charged, and if any payments by Mortgagor include interest in excess of such maximum amount, Mortgagee shall apply such excess to the reduction of the unpaid principal amount due and pursuant hereto.

**3.4. Number and Gender.** Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the other.



#### ARTICLE 4

4.1. **Notice.** Any notice, request, demand, consent, approval or other communication provided or permitted hereunder shall be in writing and be sent by United States registered or certified mail, return receipt requested, postage prepaid, or by prepaid guaranteed overnight courier, or by facsimile transmission or electronic mail, with a copy sent by United States mail or overnight courier as herein provided, and in any case addressed to the party for whom it is intended at the following addresses:

If to Mortgagor:           GIPIL 525 S Perryville Rd, LLC  
401 E. Jackson Street, Suite 3300  
Tampa, FL 33602

SUNNY RIDGE MHP LLC

With a copy to:           Trenam Law  
200 Central Avenue, Suite 1600  
St. Petersburg, Florida 33701  
Attn: Timothy M. Hughes, Esq.

If to Mortgagee:         Valley National Bank  
Attn: \_\_\_\_\_  
4790 140th Avenue N.  
Clearwater, Florida 33762

With copies to:         Johnson, Pope, Bokor, Ruppel & Burns, LLP  
Attn: T. Luke Markham, Esq.  
401 E. Jackson Street, Suite 3100  
Tampa, Florida 33601

provided, however, that any party may change its address for purposes of receipt of any such communication by giving at least ten (10) days' written notice of such change to the other parties in the manner above prescribed. Any notice given in accordance with the above provisions shall be deemed received and effective on the date of delivery by prepaid guaranteed overnight delivery service or courier, the date of facsimile transmission or electronic mail (provided a hard copy is placed in the United States Mail, postage prepaid, or prepaid overnight courier, on the same date), or the third Business Day after the date on which it is placed in the United States Mail, postage prepaid. Mortgagor hereby irrevocably appoints, designates and authorizes Mortgagee as its agent to file for record any notices that Mortgagee deems necessary or desirable to protect its interest hereunder or under the Note or the Loan Documents, provided such actions do not further increase Mortgagor's obligations under the Loan. Mortgagor shall forward to Mortgagee copies of all notices given or received by Mortgagor to or from any contractor, subcontractor, materialman or other person having a lien under the applicable construction lien law, promptly upon the giving or receipt of such notice, if such notice is related to any alleged failure of Mortgagor to make proper payments under the applicable construction lien law or is otherwise related to any claim of lien, or potential claim of lien, against the Premises.

#### ARTICLE 5

**5.1. Future Advances.** It is agreed that this Mortgage shall also secure such future or additional advances as may be made by the Mortgagee at its option to the Mortgagor, or its successor in title, for any purpose, provided that all those advances are to be made within twenty (20) years from the date of this Mortgage, or within such lesser period of time as may be provided hereafter by law as a prerequisite for the sufficiency of actual notice or record notice of the optional future or additional advances as against the rights of creditors or subsequent purchasers for valuable consideration. The total amount of indebtedness secured by this Mortgage may decrease or increase from time to time. If Mortgagor files a notice specifying the dollar limit beyond which future advances made pursuant to this Mortgage will not be secured by this Mortgage, then Mortgagor shall, within one day of filing such notice, notify Mortgagee and its counsel by certified mail pursuant to Paragraph 4.1 of this Mortgage. In addition, such a filing shall constitute a default hereunder.

**5.2. Lien Priority.** The lien priority of this Mortgage shall not be affected by any changes in the Note including, but not limited to, an increase in the interest rate charged pursuant to the Note. Any parties acquiring an interest in the Premises subsequent to the date this Mortgage is recorded shall acquire such interest in the Premises with notice that Mortgagee may increase the interest rate charged pursuant to the Note or otherwise modify the Note and the Note, as modified, and the Mortgage shall remain superior to the interest of any party in the Premises acquired subsequent to the date this Mortgage is recorded.

**5.3. Security Agreement.** This instrument also creates a security interest in favor of the Mortgagee under the Uniform Commercial Code of the state where the Property is located, and Mortgagee shall also have all the rights and remedies of a secured party under the Uniform Commercial Code, and without limitation upon or in derogation of the rights and remedies created and accorded to the Mortgagee by this Mortgage pursuant to the common law or any other laws or any other jurisdiction, it being understood that the rights and remedies of Mortgagee under the Uniform Commercial Code is the state where the Property is located shall be cumulative and in addition to all other rights and remedies of Mortgagee arising under the common law or any other laws or any other jurisdiction.

**5.4 Intentionally Deleted.**

**5.5. Choice of Law.** This Mortgage is to be construed in all respects and enforced according to the laws of the State where the Property is located.

**5.6. Binding Effect.** This Mortgage shall be binding upon and inure to the benefit of the Mortgagor and Mortgagee hereto, and their respective heirs, successors and assigns. The invalidity or unenforceability of any provision of this Mortgage or any other Loan Document shall not affect the validity or enforceability of any other provision of this Mortgage or of any other Loan Document, all of which shall remain in full force and effect. This Mortgage contains the complete and entire agreement among the parties as to the matters covered, rights granted and the obligations assumed in this Mortgage. This Mortgage may not be amended or modified except by written agreement signed by the parties hereto.

*[Remainder of Page Left Intentionally Blank; Signatures to Follow]*

IN WITNESS WHEREOF, the Mortgagor has executed and sealed this Mortgage as of the Effective Date set forth above.

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**MORTGAGOR:**

**GIPIL 525 S PERRYVILLE RD, LLC,**  
a Delaware limited liability company

By: /s/ David Sobelman  
David Sobelman, President

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**MORTGAGOR:**

**SUNNY RIDGE MHP LLC,** a Florida limited liability company

By: /s/ Richard N. Hornstrom  
Richard N. Hornstrom, Managing Member

**[Remainder of page intentionally left blank.]**

**[Notary block to follow on next page.]**

STATE OF FLORIDA  
COUNTY OF HILLSBOROUGH

The foregoing Mortgage and Security Agreement was acknowledged before me by means of  physical presence or  online notarization on this \_\_\_\_\_ day of April, 2022, by David Sobelman, as President of **GIPIL 525 S Perryville Rd, LLC**, a Delaware limited liability company and Richard N. Hornstrom, as Managing Member **SUNNY RIDGE MHP LLC**, a Florida limited liability company and they are \_\_\_ personally known to me, or produced \_\_\_\_\_ as identification.

My Commission Expires:

Print Name:  
NOTARY PUBLIC

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

PARCEL A:

LOT 2 AS DESIGNATED UPON THE PLAT OF WILLIAMS MANNY SUBDIVISION OF PART OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 44 NORTH, RANGE 2 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH SUBDIVISION IS RECORDED IN BOOK 40 OF PLATS ON PAGE 27A IN THE RECORDER'S OFFICE OF WINNEBAGO COUNTY, ILLINOIS.

PARCEL B:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AS SET FORTH IN EASEMENT AGREEMENT DATED DECEMBER 5, 2012 BY AND BETWEEN FIRST ROCKFORD GROUP, INC., 555 REAL ESTATE, L.L.C. AND LABRADOR GROUP, L.L.C., RECORDED MARCH 20, 2013 AS DOCUMENT NO, 20131011893.

## PROMISSORY NOTE

\$2,100,000.00      April 1, 2022

FOR VALUE RECEIVED, the undersigned (“**Borrower**”) does hereby covenant and promise to pay to the order of **Valley National Bank**, a national banking association or its successors or assigns, (“**Lender**”), at 4790 140<sup>th</sup> Avenue N., Clearwater, Florida 33762, or at such other place as Lender or its successor or assignee may designate to Borrower in writing from time to time, in legal tender of the United States, Two Million One Hundred Thousand and No/100 Dollars (\$2,100,000.00), or so much thereof as is advanced pursuant to the terms and conditions of the Loan Agreement executed by Borrower on even date herewith (the “**Loan Agreement**”), together with all accrued interest, which shall be due and payable upon the following terms and conditions contained in this Promissory Note (the “**Note**”) and the Loan Agreement. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Loan Agreement.

**A.      Interest Rate:**

All principal evidenced by this Note shall bear interest at the rates set forth herein (the “**Interest Rate**”). For the first five (5) years of the Term (as hereinafter defined), the principal evidenced by this Note shall bear interest at a fixed rate of three and eighty-five hundredths of a percent (3.85%) per annum from the Effective Date of this Note through and until March 31, 2027. The Interest Rate shall be adjusted on April 1, 2027 said day being known as the “**Adjustment Date**.” Commencing on the Adjustment Date, the Interest Rate shall be adjusted to a fixed rate equivalent to the weekly average yield of nominal (non inflation indexed) U.S. Treasury securities adjusted to a constant maturity of five (5) years as published in the Board of Governors of the Federal Reserve System Statistical Release (Publication H.15 [519]) plus two and one-half percent (2.5%). In no event shall the Interest Rate fall beneath three and eighty-five hundredths of a percent (3.85%) per annum (“**Adjusted Interest Rate**”). All interest shall be computed and charged for the actual number of days elapsed on the basis of a year consisting of three hundred sixty (360) days. Interest shall be payable monthly, on or before the first (1st) day of each month, on the outstanding principal balance due hereunder from time to time.

**B.      Term:**

The term of this Note shall be for ten (10) years (the “**Term**”), commencing from the Effective Date of this Note and extending until March 31, 2032 (the “**Maturity Date**”), at which time the then remaining principal balance together with any interest accrued thereon shall be fully due and payable without demand. In the event the Loan Agreement permits Borrower to extend the Term and Borrower exercises such right or option in accordance with all applicable requirements, all references in this Note to the Term shall be deemed to include such extended term and the Maturity Date shall be deemed to be the final day of such extended term.

**C.      Payment Terms:**

For the first 12-months of the Term, Borrower shall make monthly payments in the amount of \$6,737.50, comprised of interest only at the fixed rate of three and eighty-five hundredths of a percent (3.85%) per annum, on or before the first (1st) day of each calendar month. After the first 12-months of the Term, monthly payments shall include repayment of principal based upon a twenty-five (25) year amortization from the date of this Note, on or before the first (1st) day of each calendar month. Commencing on the Adjustment Date and for the remainder of the Term, Borrower shall make monthly payments of principal and interest at the Adjusted Interest Rate and a twenty-five (25) year amortization from the date

of this Note, on or before the first (1st) day of each calendar month. Subject to Paragraph I below, the entire principal balance of the loan plus all accrued and unpaid interest and other accruals and fees as provided in the Loan Agreement shall be due and payable on the Maturity Date. The first payment under this Note shall be due on May 1, 2022, and payments shall be due on or before the first (1<sup>st</sup>) day of each calendar month thereafter. A failure to make any of the payments referenced in this Note within ten (10) days of the date when due shall be an immediate event of default, and nothing contained in this section shall require Lender to provide notice of such payment default. Except as may be otherwise provided in the Mortgage (as hereinafter defined), all monthly payments received by Lender hereunder shall be applied first, to the payment of accrued interest, second, to the reduction of principal, and finally, the balance, if any, to the payment of any fees, costs, expenses or charges then payable by Borrower to Lender hereunder, under the Mortgage or any of the Loan Documents (as hereinafter defined).

**D. Prepayment:** The Borrower shall have the right to prepay all or any portion of the principal of this Note at any time without notice, premium or penalty for the privilege of such prepayment. In the event of full prepayment, all accrued interest and other charges shall be paid at the same time as full principal prepayment. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments. Any prepayments shall be applied to the last installments due under this Note.

**E. Security:**

This Note is secured by, among other things, (i) that certain Multi- State Mortgage and Security Agreement (the “ **Mortgage**”) executed of even date herewith by Borrower, granting Lender a first lien and security interest in and to that certain property located in Winnebago County, Illinois as more particularly described in the Mortgage, together with the personal property, improvements, furniture, furnishings, fixtures and equipment located thereon; (ii) financing statements and other such security or supporting documents on the equity in Borrower, real and/or personal property, improvements, furnishings, fixtures, appurtenances and hereditaments (the “**Financing Statements**”); (iii) the Loan Agreement; and (iv) that certain Assignment of Leases, Rents and Contract Rights executed of even date herewith by Borrower, including cash flows, permits, management, rental and other operating agreements, ground leases and licenses (the “**Assignment of Leases**”) (the Mortgage, Financing Statements, the Loan Agreement, the Assignment of Leases and all other instruments and agreements securing, evidencing, or executed in connection with this Note shall collectively be referred to as the “**Loan Documents**”).

**F. Default Interest Rate:**

Should any default occur in the Borrower’s obligations, or the obligations of any associated guarantor, under the Loan Documents, then Lender shall be entitled to charge interest from the date of said default until the date such default is cured, as permitted by the Loan Documents, at the maximum legal rate permitted by applicable law as changed from time to time, provided, however, in no event shall such rate exceed the maximum legal rate authorized by applicable law. In the event a judgment is obtained, the judgment amount shall bear interest at the Default Rate recited herein or the rate of interest established by Section 55.03, Florida Statutes, whichever is the greater, until the full amount of the judgment is collected.

**G. Default; Cross Default:**

This Note shall be in default upon the failure of the Borrower to pay any principal or interest hereunder within ten (10) days of when due, without notice or demand, when due, or upon the occurrence of any Event of Default under the terms of the Loan Agreement or any other Loan Document. Upon the occurrence of an Event of Default and during the continuance of such Event of Default, the holder of this Note may, at its option, declare all unpaid indebtedness evidenced by this Note, and any modifications,

renewals or extensions hereof, to be immediately due and payable without notice regardless of the date of maturity. Failure at any time to exercise this option shall not constitute a waiver of the right to exercise the same at any other time .

A default in the terms and conditions of the Loan Documents or any other obligation of the Borrower to the Lender of whatever nature or kind, including, but not limited to this obligation, shall constitute a default of the terms and conditions of the obligations set forth in this Note. Likewise, any default in the terms and conditions of this Note shall be and constitute a default under the terms and conditions of the Loan Documents and any other obligation owed by the Borrower to the Lender.

**H. Late Charges:**

Lender may collect a late charge not to exceed an amount equal to five percent (5%) of any installment which is not paid within ten (10) days of the due date thereof (except for the payment due on the Maturity Date for which there is no grace period), to cover the extra expense involved in handling delinquent payments, provided that collection of said late charge shall not be deemed a waiver by Lender of any of its rights under this Note. The Lender may impose a non-sufficient funds fee for any check that is presented for payment that is returned for any reason. In addition, the Lender may charge loan documentation fees as may be reasonably determined by the Lender.

**I. Acceleration:**

Should any default occur and be continuing in any of Borrower or any associated guarantor's obligations under the Loan Documents, which default is not cured during any applicable notice and cure period, the principal of this Note or any unpaid part thereof, all accrued interest, together with all fees, charges, costs, expenses and liabilities due and owing under the Loan Documents, shall, in the sole discretion of Lender, at once become due and payable and may be collected forthwith without notice to the undersigned, regardless of the stipulated date of maturity. However, Lender may, in the sole discretion of Lender, accept payments made by Borrower after any default has occurred, without waiving any of Lender's rights herein.

**J. Costs:**

In the event that this Note is collected by law or through attorneys at law, or under advice therefrom (whether such attorneys are employees of the Lender or an affiliate of the Lender or are outside counsel), the Borrower and any endorser, guarantor or other person primarily or secondarily liable for payment hereof hereby, severally and jointly agree to pay all costs of collection, including reasonable attorneys' fees including charges for paralegals and others working under the direction or supervision of the Lender's attorneys, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors' proceedings or otherwise.

**K. Loan Charges:**

Nothing herein contained, nor any transaction related thereto, shall be construed or so operate as to require Borrower or any person liable for the repayment of same, to pay interest in an amount or at a rate greater than the maximum allowed by applicable law. Should any interest or other charges paid by Borrower, or any parties liable for the payment of the loan made pursuant to this Note, result in the computation or earning of interest in excess of the maximum legal rate of interest permitted under the law in effect while said interest is being earned, then any and all of that excess shall be and is waived by Lender, and all that excess shall be automatically credited against and in reduction of the principal balance, and any portion of the excess that exceeds the principal balance shall be paid by Lender to Borrower or any parties



liable for the payment of the loan made pursuant to this Note so that under no circumstances shall the Borrower, or any parties liable for the payment of the loan hereunder, be required to pay interest in excess of the maximum rate allowed by applicable law.

**L. Jurisdiction:**

The laws of the State of Florida shall govern the interpretation and enforcement of this Agreement. In the event that legal action is instituted to collect any amounts due under, or to enforce any provision of this instrument, Borrower and endorser, guarantor or other person primarily or secondarily liable for payment hereof consent to, and by execution hereof submit themselves to, the jurisdiction of the courts of the State of Florida, and, notwithstanding the place of residence of any of them or the place of execution of this instrument, such litigation may be brought in or transferred to a court of competent jurisdiction in and for Hillsborough County, Florida.

**M. Miscellaneous:**

1. TIME BEING OF THE ESSENCE OF THIS NOTE.
2. It is agreed that the granting to Borrower of this Note or any other party of an extension or extensions of time for the payment of any sum or sums due hereunder or under the accompanying Mortgage or for the performance of any covenant or stipulation thereof or the taking of other or additional security shall not in any way release or affect the liability of the Borrower of this Note.
3. This Note may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.
4. All parties to this Note and the Loan Documents, whether Borrower, principal, surety, guarantor or endorser, hereby jointly and severally: (a) consent to any forbearance or extension of the time or manner of payment hereof and to the release of all or any part of any security held by the Lender to secure payment of this Note and to the subordination of the lien of the Mortgage and any other instrument of security securing this Note as to all or any part of the property encumbered thereby, all without notice to or consent of that party; (b) agree that no course of dealing or delay or omission or forbearance on the part of the Lender in exercising or enforcing any of its rights or remedies hereunder or under any instrument securing this Note shall impair or be prejudicial to any of the Lender's rights and remedies hereunder or to the enforcement hereof and that the Lender may extend, modify or postpone the time and manner of payment and performance of this Note and any instrument securing this Note, may grant forbearance and may release, wholly or partially, any security held by the Lender as security for this Note and release, partially or wholly, any person or party primarily or secondarily liable with respect to this Note, all without notice to or consent by any party primarily or secondarily liable hereunder and without thereby releasing, discharging or diminishing its rights and remedies against any other party primarily or secondarily liable hereunder; and (c) waive notice of acceptance of this Note, notice of the occurrence of any default hereunder or under any instrument securing this Note and presentment, demand, protest, notice of dishonor and notice of protest and notices of any and all action at any time taken or omitted by the Lender in connection with this Note or any instrument securing this Note and waive all requirements necessary to hold that party to the liability of that party.

5. The Borrower and any other person obligated for the payment of this Note shall have no right of set off against Lender under this Note or under any instruments securing this Note or the Loan Documents, or any documents executed in connection with the loan evidenced hereby.
6. Anything herein to the contrary notwithstanding, the obligations of Borrower under this Note shall be subject to the limitation that payments of interest shall not be required to the extent that receipt of any such payment by Lender would be contrary to provisions of law applicable to Lender limiting the maximum rate of interest which may be charged or collected by Lender.
7. The Borrower hereof acknowledges that the Lender shall have no obligation whatsoever to renew, modify or extend this Note or to refinance the indebtedness under this Note upon the maturity thereof, except in the event the Loan Agreement grants Borrower an extension option and Borrower exercises such option in compliance with all applicable requirements related thereto.
8. The remedies of the Lender, as provided herein or within any other Loan Documents, shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Lender, and may be exercised as often as occasion therefore shall arise. No act or omission or commission of the Lender, including specifically any failure to exercise any right, remedy or recourse, shall be deemed to be waiver or release of the same, such waiver or release to be effected only through a written document executed by the Lender and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as to a subsequent event.
9. For and in consideration of the funding of this Note by the Lender or any renewal or extension thereof, should any occur, the undersigned Borrower hereby agrees to cooperate or re-execute any and all Loan Documents deemed necessary or desirable in the Lender's discretion, in order to correct or to adjust for any errors or omissions contained in any document executed in connection with the loan.
10. Lender shall have the right to accept and apply to the outstanding balance of this Note any and all payments or partial payments received from Borrower after the due date therefor whether this Note has been accelerated or not without waiver of any and all of Lender's rights to continue to enforce the terms of this Note and to seek any and all remedies provided for herein or any instrument securing the same including, but not limited to, the right to foreclose on such security.
11. The term "**Borrower**" as used herein, in every instance shall include the makers, heirs, executors, administrators, successors, legal representatives and assigns, and shall denote the singular and/or plural, the masculine and/or feminine, and natural and/or artificial persons whenever the context so requires or admits.
12. If more than one party executes this Note, all such parties shall be jointly and severally liable for the payment of this Note.
13. Borrower agrees to pay all taxes, including documentary stamps and intangible tax due and payable on this Note.

N. **Waiver of Jury Trial:**

**BORROWER AND LENDER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LENDER ENTERING INTO THIS AGREEMENT.**

Borrower's Initials /s/ DS

*[Remainder of Page Left Intentionally Left Blank; Signatures to Follow]*

THE UNDERSIGNED ACKNOWLEDGES THAT THE LOAN EVIDENCED HEREBY IS FOR COMMERCIAL PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

Borrower has executed and delivered this Note to Lender on the date first stated above.

**BORROWER:**

**GIPII 525 S Perryville Rd, LLC**, a Delaware limited liability company

By: /s/ David Sobelman  
Name: David Sobelman  
Title: President

**BORROWER:**

**SUNNY RIDGE MHP LLC**, a Florida limited liability company

By: /s/ Richard N. Hornstrom  
Name: Richard N. Hornstrom  
Title: Managing Member

FOR IMMEDIATE RELEASE  
Contact: [ir@gipreit.com](mailto:ir@gipreit.com)

## GENERATION INCOME PROPERTIES REFINANCES SEVEN PROPERTIES FOR \$13.5 MILLION

### Debt Maturities Effectively Extended

**Tampa, FL, April 6th, 2022** – Generation Income Properties, Inc. (NASDAQ: GIPR) (“GIPR” or the “Company”) announced that it refinanced seven properties for approximately \$13.5 million in debt. This transaction reduces the seven properties combined loan-to-value ratio to approximately fifty four percent (54%) based on recent appraisals. The refinancing was structured in the form of two term loans: one in the amount of \$2.1 million for the Company’s property in Rockville IL, and one in the amount of \$11.4 million for the other six properties. The refinancing resulted in loan obligations of \$13.5 million in total secured by properties leased to the following companies or their affiliates:

- GSA (S&P: AA+) in Manteo, NC
- Irby Construction (NYSE: PWR, S&P: BBB) in Plant City FL
- La-Z-Boy (NYSE: LZB) in Rockville, IL
- Best Buy (NYSE: BBY, S&P: BBB-) in Grand Junction, CO
- Fresenius Medical Care (NYSE: FMS, S&P: BBB) in Chicago, IL
- Starbucks (NASDAQ: SBUX, S&P: BBB+) in Tampa FL
- Kohl’s (NYSE: KSS, S&P: BBB-) in Tucson, AZ

GIPR obtained the 10-year term loans from Valley Bank (NASDAQ: VLY) with an annual fixed interest rate of 3.85% for 5 years and amortized over a 30-year term with the first 12 months allowing interest-only payments.

David Sobelman, President and Chief Executive Officer commented, “With our previously stated goal to reduce our overall debt, we are pleased with the refinance of seven of our properties to transition from short-term debt to long-term, fixed-rate debt through our expanded banking relationship with VLY, an approximately \$6.4 billion market cap institution. Our previously announced \$25 million commitment from American Momentum Bank (AMB) now has an outstanding balance of zero, which frees us to contemplate using their commitment for future acquisitions and improves our overall capital stack. Also, as we seek to protect ourselves against the rising interest rate environment, we are able to fulfill one of GIPR’s goals of reducing our overall debt exposure. We are very grateful to VLY for their confidence in our company and look forward to continuing to work with them in the future.”

### About Generation Income Properties

Generation Income Properties, Inc., located in Tampa, Florida, is an internally managed real estate corporation formed to acquire and own, directly and jointly, real estate investments focused on retail, office and industrial net lease properties located primarily in major United States cities. The Company intends to elect to be taxed as a real estate investment trust. Additional information about Generation Income Properties, Inc. can be found at the Company’s corporate website: [www.gipreit.com](http://www.gipreit.com).

### Forward-Looking Statements

*This press release, whether or not expressly stated, may contain "forward-looking" statements as defined in the Private Securities Litigation Reform Act of 1995. The words "believe," "intend," "expect," "plan," "should," "will," "would,"*

*and similar expressions and all statements, which are not historical facts, are intended to identify forward-looking statements. These statements reflect the Company's expectations regarding future events and economic performance and are forward-looking in nature and, accordingly, are subject to risks and uncertainties. Such forward-looking statements include risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such forward-looking statements which are, in some cases, beyond the Company's control which could have a material adverse effect on the Company's business, financial condition, and results of operations. These risks and uncertainties include our limited operating history, the continued availability of the American Momentum commitment, potential changes in the economy in general and the real estate market in particular; the COVID-19 pandemic, and other risks and uncertainties that are identified from time to time in our SEC filings, including those identified in our Annual Report on Form 10-K, which are available at [www.sec.gov](http://www.sec.gov). The occurrence of any of these risks and uncertainties could have a material adverse effect on the Company's business, financial condition, and results of operations. For these reasons, among others, investors are cautioned not to place undue reliance upon any forward-looking statements in this press release. Any forward-looking statement made by us herein speaks only as of the date on which it is made. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof, except as may be required by law.*