



OFFICE OF THE PROPERTY APPRAISER

Summary Report

Generated On : 8/15/2019

Property Information	
Folio:	03-4108-009-1450
Property Address:	1008 E PONCE DE LEON BLVD Coral Gables, FL 33134-3329
Owner	1008 E PONCE LLC
Mailing Address	340 MINORCA AVE 9 CORAL GABLES, FL 33134 USA
PA Primary Zone	5001 HOTELS & MOTELS - GENERAL Med Density
Primary Land Use	0303 MULTIFAMILY 10 UNITS PLUS : MULTIFAMILY 3 OR MORE UNITS
Beds / Baths / Half	16 / 16 / 0
Floors	2
Living Units	16
Actual Area	Sq.Ft
Living Area	Sq.Ft
Adjusted Area	12,582 Sq.Ft
Lot Size	23,431 Sq.Ft
Year Built	1949



Assessment Information			
Year	2019	2018	2017
Land Value	\$2,343,100	\$2,343,100	\$1,757,325
Building Value	\$66,900	\$56,900	\$422,675
XF Value	\$0	\$0	\$0
Market Value	\$2,410,000	\$2,400,000	\$2,180,000
Assessed Value	\$2,410,000	\$2,398,000	\$2,180,000

Benefits Information				
Benefit	Type	2019	2018	2017
Non-Homestead Cap	Assessment Reduction		\$2,000	
Note: Not all benefits are applicable to all Taxable Values (i.e. County, School Board, City, Regional).				

Short Legal Description	
CORAL GABLES DOUGLAS SEC SLY 1/2 LOT 6 & ALL LOTS 7 8 & 9 BLK 16 PB 25-69 LOT SIZE 23431 SQ FT M/L OR 17793-2529 0997 1	

Taxable Value Information			
	2019	2018	2017
County			
Exemption Value	\$0	\$0	\$0
Taxable Value	\$2,410,000	\$2,398,000	\$2,180,000
School Board			
Exemption Value	\$0	\$0	\$0
Taxable Value	\$2,410,000	\$2,400,000	\$2,180,000
City			
Exemption Value	\$0	\$0	\$0
Taxable Value	\$2,410,000	\$2,398,000	\$2,180,000
Regional			
Exemption Value	\$0	\$0	\$0
Taxable Value	\$2,410,000	\$2,398,000	\$2,180,000

Sales Information			
Previous Sale	Price	OR Book-Page	Qualification Description
08/23/2016	\$2,825,000	30225-1802	Qual by exam of deed
09/01/1997	\$640,400	17793-2529	Sales which are qualified
04/01/1995	\$0	16739-2256	Sales which are disqualified as a result of examination of the deed

The Office of the Property Appraiser is continually editing and updating the tax roll. This website may not reflect the most current information on record. The Property Appraiser and Miami-Dade County assumes no liability, see full disclaimer and User Agreement at <http://www.miamidade.gov/info/disclaimer.asp>

Version:

CITY'S

EXHIBIT

1008 E. Ponce de Leon Boulevard

<u>Owner (PA and deed address)</u> 1008 E. Ponce LLC 340 Minorca Ave, Ste 9 Coral Gables, FL 33134-4320	<u>Owner (Sunbiz mailing address)</u> 1008 E. Ponce LLC 1390 S. Dixie Hwy, Ste 1105 Coral Gables, FL 33146-2936
<u>Owner (RA address)</u> 1008 E. Ponce LLC c/o Thomas G. Sherman, P.A. Registered Agent 90 Almeria Ave Coral Gables, FL 33134-6170	<u>Mortgagee</u> Ocean Bank 780 NW 42 Ave Miami, FL 33126-5540

City of Coral Gables

ONLINE SERVICES

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Permits and Inspections: Search Results
[Logon](#) [Help](#) [Contact](#)
New Permit Search**Permit Search Results**

Permit#:	App. Date	Street Address	Type	Description	Status	Issue Date	Final Date	Fees Due
RC-19-08-4938	08/08/2019	1008 E PONCE DE LEON BLVD	BLDG RECERT / CRB	BUILDING RECERTIFICATION (1949) CONSTRUCTION REGULATION BOARD CASE #19-9028 AND UNSAFE STRUCTURES	approved			980.63
RC-17-01-0074	01/03/2017	1008 E PONCE DE LEON BLVD	BLDG RECERT / CRB	BUILDING RECERTIFICATION (1949)	final	01/04/2017	01/04/2017	0.00
CE-16-09-5481	09/08/2016	1008 E PONCE DE LEON BLVD	CODE ENF LIEN SEARCH	LIEN SEARCH	final	09/14/2016	09/14/2016	0.00
ZV-16-08-6992	08/26/2016	1008 E PONCE DE LEON BLVD	ZONING LETTER VERIFICATION	ZONING VERIFICATION LETTER	final	09/21/2016	09/21/2016	0.00
HI-16-06-6684	06/08/2016	1008 E PONCE DE LEON BLVD	LETTER OF HISTORIC SIGNIFICANCE		final	06/08/2016	06/08/2016	0.00
CE-16-05-6848	05/16/2016	1008 E PONCE DE LEON BLVD	CODE ENF LIEN SEARCH	LIEN SEARCH	final	05/18/2016	05/18/2016	0.00
BL-15-04-4926	04/20/2015	1008 E PONCE DE LEON BLVD	AWNINGS / CANOPY	*PERMIT CANCELED - DISCARDED / SIGNATURES EXPIRED* INSTALLATION OF 2 AWNINGS VINYL COLOR BLACK \$1445	canceled		05/31/2017	0.00
AB-15-04-4510	04/13/2015	1008 E PONCE DE LEON BLVD	BOA COMPLETE (LESS THAN \$75,000)	**RES** INSTALLATION OF AWNINGS VINYL COLOR BLACK \$1445	issued	04/13/2015		0.00
BL-14-12-4036	12/16/2014	1008 E PONCE DE LEON BLVD	RAIN GUTTERS & DOWNSPOUTS	INSTALL RAIN GUTTERS AND DOWNSPOUTS - WHITE \$1,475	final	12/19/2014	01/07/2015	0.00
BL-14-02-2683	02/20/2014	1008 E PONCE DE LEON BLVD	MISCELLANEOUS WORK	ROOF STRAPPING **INSPECTIONS UNDER MASTER**	final	03/24/2014	03/24/2014	0.00

CITY'S
EXHIBIT

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BL-13-11-2838	11/20/2013	1008 E PONCE DE LEON BLVD	ROOF / LIGHT WEIGHT CONC	2 TYPE: RE ROOF \$54,500 EAGLE BEL AIR WHITE TILE & FLAT PORTION	final	12/06/2013	10/03/2014	0.00
AB-13-11-2593	11/15/2013	1008 E PONCE DE LEON BLVD	BOA COMPLETE (LESS THAN \$75,000)	RE ROOF EAGLE ROOFING BEL AIR FLAT \$54,500	final	11/15/2013	10/03/2014	0.00
ZN-13-03-1245	03/19/2013	1008 E PONCE DE LEON BLVD	PAINT / RESURFACE FL / CLEAN	PRESSURE CLEAN AND PAINT EXTERIOR WALLS SW 6638 FLATTERING PEACH (PEACH) NO TRIM \$3000	final	04/22/2013	05/31/2013	0.00
CE-12-06-9137	06/15/2012	1008 E PONCE DE LEON BLVD	CODE ENF WARNING PROCESS	WT9746 54-29 CITY CODE (TRA) OWNER MUST MAINTAIN PREMISES FREE OF LITER. TRASH AND DEBRIS, BED ETC.	final	06/15/2012	06/16/2012	0.00
CE-11-10-7608	10/21/2011	1008 E PONCE DE LEON BLVD	CODE ENF WARNING PROCESS	WT6943 SEC 54- 153 CITY CODE (DAY) TRASH ON PROPERTY (FURNITURE). E- MAIL SENT 10/18/11.	final	10/21/2011	10/28/2011	0.00
CE-11-04-6865	04/25/2011	1008 E PONCE DE LEON BLVD	CODE ENF TICKET PROCESS - NO RUNNING FINE	T38242 SEC 54- 153 CITY CODE (DAY) TRASH ON R/W 4 DAYS PRIOR TO SCHEDULED [/U - IN FRONT OF A NO DUMPING SIGN. MUST REMOVE.**** VOID - TRASH MISSED FRIDAY**** PREVIOUSLY CITED 7/2/10 & 1/26/11.	canceled	04/25/2011		0.00
CE-11-01-5527	01/26/2011	1008 E PONCE DE LEON BLVD	CODE ENF TICKET PROCESS - NO RUNNING FINE	T20647 SEC 54- 153 CC (DAY) TRASH ON R/W 2 DAYS PRIOR TO SCHEDULED P/U. MUST REMOVE. PREVIOUSLY WARNED 7/2010.	final	01/26/2011	02/10/2011	0.00
PL-10-11-4671	11/30/2010	1008 E PONCE DE LEON BLVD	PLUMB COMMERCIAL / RESIDENTIAL WORK	RE PIPING. \$5000.00	final	12/01/2010	05/27/2011	0.00
CE-10-07-5257	07/28/2010	1008 E PONCE DE LEON BLVD	CODE ENF WARNING PROCESS	WT14116 SEC 54- 153 CC (DAY) TRASH ON SWALE 2 DAYS PRIOR TO SCHEDULED P/U. MUST REMOVE.	final	07/28/2010	07/28/2010	0.00
CE-10-03-3475	03/08/2010	1008 E PONCE DE LEON BLVD	CODE ENF WARNING PROCESS	WT4054 SEC CH 62-133 (ORW) CC DUMPSTER PARTIALLY OBSTRUCTING SIDEWALK, MUST REMOVE.	final	03/08/2010	03/09/2010	0.00

EL-09-08-3057	08/28/2009	1008 E PONCE DE LEON BLVD	ELEC COMMERCIAL / RESIDENTIAL WORK	INSTALL SOCKETS, ELEC SERVICE \$14,000	final	08/28/2009	11/04/2009	0.00
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The City's online services are protected with an **SSL encryption certificate**. For technical assistance, please call 305-569-2448 (8am-5pm, M-F).



City of Coral Gables Fire Department

Fire Prevention Division

2815 Salzedo Street, Coral Gables, FL 33134

Fax (305) 460-5598

The items noted below are in violation of the Florida Fire Prevention Code and/or the Florida Administrative Code. Nothing in this report supersedes any previously written, still existing violations for this occupancy/building. You are directed to comply with corrective measures as indicated.

Occupant Name:	1008 -1014 E. Ponce de Leon Blvd. / 127 Phoenetia Ave. Apartments - 16 units	Inspection Date:	8/19/2019
Address:	1008-1014 East Ponce de Leon Boulevard Coral Gables	InspectionType:	AA-Tactical, Apartment / Condo
Suite:		Inspected By:	Madelaine Mendez 305-460-5563 mmendez@coralgables.com
		Occ. Sq. Ft.:	0
		Occupant Number:	010424

Insp. Result	Location	Code Set	Code
Fail	Floor 1	FL NFPA 101 2015 Tactical	4.6.12.1 - Fire Alarm system tagged and free of trouble conditions

Inspector Comments: Whenever or wherever any device, equipment, system, condition, arrangement, level of protection, fire-resistive construction, or any other feature is required for compliance with the provisions of this Code, such device, equipment, system, condition, arrangement, level of protection, fire-resistive construction, or other feature shall thereafter be continuously maintained. Maintenance shall be provided in accordance with applicable NFPA requirements or requirements developed as part of a performance-based design, or as directed by the authority having jurisdiction.

Fail	Floor 1	NFPA 72 2013 Chapter 14 Inspection, Testing, and Maintenance	14.2.2.1.1 - Fire Alarm-Must be Tested & Inspected Annually
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Inspector Comments: Inspection, testing, and maintenance programs shall satisfy the requirements of this Code and conform to the equipment manufacturer's published instructions.

1. FIRE ALARM SYSTEM - Provide annual Inspection and test Report
2. PROVIDE A PICTURE OF THE FIRE ALARM PANEL
3. PROVIDE A PICTURE OF THE TAG SHOWING THE DATE IT WAS TESTED

Fail	Floor 1	FL NFPA 01 2015 Fire extinguishers	13.6.4.7.1.1 - Fire Extinguisher Recharge/Re-Certify
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Inspector Comments:

All rechargeable-type fire extinguishers shall be recharged after any use or when the need is indicated by an inspection or servicing. [10:7.7.1.1]

FIRE EXTINGUISHERS - - TAG SHOWS LAST SERVICED ON 5-2018, DUE FOR RECHARGE

EXHIBIT

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A re-inspection will occur on or after 9/19/2019.

Failure to correct violations within 15 days of re-inspection is subject to penalties up to and including the issuance of Civil Citations in the amount of \$200 per violation / per day.

Failure to provide immediate corrective measures when required, may result in administrative action including but not limited to: mandatory fire watch, building evacuation, or stoppage of all work.

Per City Ordinance 30-4, a Fire Inspection Fee will be billed for this inspection. All fees are subject to change without prior notice.

Thank you for your assistance. If you have any additional questions or to schedule an inspection, please contact the inspector listed at the top of this report.

**Company
Representative:**

8/19/2019 12:09:47 PM
Signature valid only in mobile-eyes documents

No Company Rep. on Site
8/19/2019

Inspector:

8/19/2019 12:09:47 PM
Signature valid only in mobile-eyes documents

Madelaine Mendez
8/19/2019



The City of Coral Gables

Development Services Department
CITY HALL 405 BILTMORE WAY
CORAL GABLES, FLORIDA 33134

February 11, 2019

VIA CERTIFIED MAIL

7018 0680 0001 3977 3804

1008 E PONCE LLC
340 MINORCA AVE #9
CORAL GABLES, FL 33134

RE: 1008 E PONCE DE LEON BLVD
FOLIO # 03-4108-009-1450
Notice of Required Inspection For Recertification of 40 Years or Older Building

Dear Property Owner:

Per the Miami-Dade County Property Appraiser's office the above referenced property address is forty (40) years old, or older, having been built in 1949. In accordance with the Miami-Dade County Code, Chapter 8, Section 8-11(f), a Florida Registered Architect or Professional Engineer must inspect said building and a **completed** Recertification Report ("Report") must be submitted by you to this Department within **ninety (90) calendar days** from the **date of this letter**. A completed Report includes 1) cover letter(s) stating the structure meets (or does not meet) the electrical and structural requirements for recertification, 2) Building Structural Report, 3) Building Electrical Report, 4) Parking Lot Illumination Standards Form and 5) Parking Lot Guardrails Requirements Form; no additional documents or photographs are necessary. Note all paperwork submitted must be the original signed and sealed documents (no copies). Submittal of the Report does not constitute recertification; it must be approved by this Department and the Letter of Recertification must be issued.

Once a completed Report is submitted to this Department and repairs or modifications are found to be necessary, the Building Official is able to grant an extension of one hundred fifty (150) calendar days from the date of this letter to obtain the necessary permits and perform the repairs. The structure will be recertified once a *revised* Report is submitted and approved, and all required permits are closed.

The Architect or Engineer may obtain the required Form, "*Minimum Inspection Procedural Guidelines for Building Recertification*," from the following link: http://www.miamidade.gov/pa/property_recertification.asp. **The Recertification Report fee of \$380.63 and additional document and filing fees shall be submitted to the Development Services Department, 405 Biltmore Way, 3rd Floor, Coral Gables, Florida, 33134. In order to avoid delays submit in person in order to calculate the fees accordingly.**

Failure to submit the required Report within the allowed time will result in **declaring the structure unsafe** and referring the matter to the City's Construction Regulation Board ("Board") without further notice; a \$600.00 administrative fee will be imposed at that time. The Board may impose additional fines of \$250.00 for each day the violation continues, may enter an order of demolition, and may assess all costs of the proceedings along with the cost of demolition and any other required action.

The completed Report may be submitted Monday through Friday, 7:30 am to 3:20 pm to this Department.

Thank you for your prompt attention to this matter.

Manuel Z. Lopez, P.E.
Building Official

CITY'S

EXHIBIT

Composite
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[FAQs > \(https://www.usps.com/faqs/uspstracking-faqs.htm\)](https://www.usps.com/faqs/uspstracking-faqs.htm)

Track Another Package +

Tracking Number: 70180680000139773804

Remove X

Your item was delivered to the front desk, reception area, or mail room at 10:32 am on February 15, 2019 in MIAMI, FL 33134.

**Delivered**

February 15, 2019 at 10:32 am

Delivered, Front Desk/Reception/Mail Room
MIAMI, FL 33134

Feedback

Tracking History

**February 15, 2019, 10:32 am**Delivered, Front Desk/Reception/Mail Room
MIAMI, FL 33134

Your item was delivered to the front desk, reception area, or mail room at 10:32 am on February 15, 2019 in MIAMI, FL 33134.

February 14, 2019

In Transit to Next Facility

February 13, 2019, 10:54 pmDeparted USPS Regional Facility
MIAMI FL DISTRIBUTION CENTER**February 12, 2019, 7:42 pm**Arrived at USPS Regional Facility
MIAMI FL DISTRIBUTION CENTER



The City of Coral Gables

Development Services Department
CITY HALL 405 BIRMINGHAM WAY
CORAL GABLES, FLORIDA 33134

5/16/2019

1008 E PONCE LLC
340 MINORCA AVE #9
CORAL GABLES, FL 33134

RE: 1008 E PONCE DE LEON BLVD

FOLIO # 03-4108-009-1450

Notice of Required Inspection For Recertification of 40 Years or Older Building -- SECOND NOTICE

Dear Property Owner:

In a certified letter dated February 11, 2019, this Department notified you the property referenced above requires Building Recertification pursuant to Miami-Dade County Code, Chapter 8, Section 8-11(f). The letter informed you it was necessary to submit to this Department a completed Report prepared by a licensed architect or engineer within ninety (90) calendar days certifying the structure meets the requirements for recertification provided under the Minimum Inspection Procedural Guidelines for Building Recertification. Please be advised the submittal of the Report is overdue and the **structure has been deemed unsafe** due to non-compliance. This may result in the revocation of the Certificate of Occupancy, as well as, being subject to other penalties as provided in the Code.

A completed Report includes: 1) cover letter(s) stating the structure meets the electrical and structural requirements for recertification from a Florida Registered Architect or Professional Engineer that inspects said building, 2) Building Structural Report, 3) Building Electrical Report, 4) Parking Lot Illumination Standards Form and 5) Parking Lot Guardrails Requirements Form; no additional documents or photographs are necessary. Note all paperwork submitted must be the original signed and sealed documents (no copies). In order to avoid delays submit the completed Report in person in order to calculate all fees accordingly.

Failure to submit the completed Report within thirty (30) calendar days from the date of this Notice will result in forwarding the matter to the City's Construction Regulation Board for further review and determination; additional fees will be incurred at that time. The completed Report may be submitted Monday through Friday, 7:30am to 2:30pm to this Department. Contact Belkys Garcia at hgarcia@coralgables.com if any questions regarding this matter.

Please govern yourself accordingly.

Sincerely,

A handwritten signature in black ink, appearing to read "Manuel Z. Lopez".

Manuel Z. Lopez, P.E.
Building Official



The City of Coral Gables

Development Services Department

CITY HALL 405 BILTMORE WAY
CORAL GABLES, FLORIDA 33134

6/19/2019

1008 E PONCE LLC
340 MINORCA AVE #9
CORAL GABLES, FL 33134

RE: 1008 E PONCE DE LEON BLVD

FOLIO # 03-4108-009-1450

Notice of Required Inspection For Recertification of 40 Years or Older Building – **FINAL NOTICE**

Dear Property Owner:

In a certified letter dated February 11, 2019, this Department notified you the property referenced above requires Building Recertification pursuant to Miami-Dade County Code, Chapter 8, Section 8-11(f). A Second Notice, dated May 16, 2019, informed you it was necessary to submit to this Department a completed Report prepared by a licensed architect or engineer within thirty (30) calendar days certifying the structure meets the requirements for recertification provided under the Minimum Inspection Procedural Guidelines for Building Recertification. As of this date, the completed Report has not been submitted and the **structure is presumed unsafe** due to non-compliance.

A completed Report includes: 1) cover letter(s) stating the structure meets the electrical and structural requirements for recertification from a Florida Registered Architect or Professional Engineer that inspects said building, 2) Building Structural Report, 3) Building Electrical Report, 4) Parking Lot Illumination Standards Form and 5) Parking Lot Guardrails Requirements Form; no additional documents or photographs are necessary. Note all paperwork submitted must be the original signed and sealed documents (no copies).

Please be advised **the matter will be forwarded to the City's Construction Regulation Board ("Board")**; a \$600.00 Administrative Fee will be imposed once the Case is scheduled. The Board may impose additional fines of \$250.00 for each day the violation continues, it may also enter an order of revocation of the Certificate of Occupancy and/or demolition and assess all costs of the proceedings along with the cost of demolition and any other required action for which the City shall have a lien against the Property Owner and the Property. The completed Report may be submitted Monday through Friday, 7:30 am to 2:30 pm to this Department. Contact Belkys Garcia at bgarcia@coralgables.com if any questions regarding this matter.

Please govern yourself accordingly.

Sincerely,

A handwritten signature in black ink, appearing to read "Manuel Z. Lopez".

Manuel Z. Lopez, P.E.
Building Official

BEFORE THE CONSTRUCTION REGULATION BOARD
FOR THE CITY OF CORAL GABLES

CITY OF CORAL GABLES,
Petitioner,

Case No. 19-9028

vs.

1008 E. PONCE LLC
340 Minorca Avenue, Suite 9
Coral Gables, Florida 33134-4320

Return receipt number:

7018 2290 0001 6693 8271

Respondent.

**NOTICE OF UNSAFE STRUCTURE VIOLATION FOR FAILURE TO RECERTIFY
AND NOTICE OF HEARING**

Date: August 28, 2019

Re: **1008 E. Ponce de Leon Boulevard**, Coral Gables, Florida 33134-3329 and legally described as sly ½ Lot 6 & all Lots 7, 8 & 9. Block 16, of CORAL GABLES DOUGLAS SECTION, according to the Plat thereof, as recorded in Plat Book 25, Page 69, of the Public Records of Miami-Dade County, Florida; and having folio number 03-4108-009-1450 ("Property").

The City of Coral Gables ("City") Building Official has inspected the records relating to the Structure in accordance with Article III, Chapter 105 of the City Code, pertaining to unsafe structures, and Section 8-11 of the Miami-Dade County Code, as applicable in the City, pertaining to existing buildings. **The Structure is hereby declared unsafe** by the Building Official and is presumed unsafe pursuant to Section 105-1 86(j)(13) of the City Code for failure to timely comply with the maintenance and recertification requirements of the Florida Building Code or Section 8-11 of the Miami-Dade County Code.

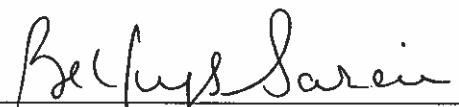
Therefore, this matter is set for hearing before the City's Construction Regulation Board ("Board") in the Commission Chambers, City Hall, 405 Biltmore Way, 2nd Floor, Coral Gables, Florida 33134, on September 16, 2019, at 2:00 p.m.

You may appeal the decision of the Building Official to the Board by appearing at the hearing. You have the right to be represented by an attorney and may present and question witnesses and evidence; however, formal rules of evidence shall not apply. Failure to appear at the hearing will result in the matter being heard in your absence. Please be advised that if someone other than an attorney will be attending the hearing on your behalf, he or she must provide a power of attorney from you at the time of the hearing. Requests for continuance must be made in writing to Belkys Garcia, Secretary to the Board, at City of Coral Gables, Development Services Department, 405 Biltmore Way, 3rd Floor, Coral Gables, FL 33134. bgarcia@coralgables.com, tel: (305) 460-5229. The Development Services Department's hours are Monday through Friday, 7:30 a.m. to 2:30 p.m.

If the Required Action is not completed before the above hearing date, the Building Official may order that the structure be vacated, boarded, secured, and posted (including but not limited to, requesting the electric utility to terminate service to the Structure) to prevent further occupancy until the Required Action is completed. The Building Official may also order demolition of the Structure and the City may recover the costs incurred against the Property and the Owner of record.

If the Property owner or other interested party does not take all Required Action or prevail at the hearing, the Construction Regulation Board may impose fines not to exceed \$250 for each day the violation continues past the date set for compliance and may also enter an order of demolition and assess all costs of the proceedings, in an amount not less than \$600, and the costs of demolition and other required action, for which the City shall have a lien against the Property owner and the Property.

Please govern yourself accordingly.


Belkys Garcia, Secretary to the Board

ADA NOTICES

Any person who acts as a lobbyist pursuant to the City of Coral Gables Ordinance No. 2006-11, must register with the City Clerk, prior to engaging in lobbying activities before the city staff, boards, committees and/or the City Commission. A copy of the Ordinance is available in the Office of the City Clerk, City Hall.

Presentations made to this Board are subject to the City's False Claims Ordinance, Chapter 39 of the City of Coral Gables Code.

Pursuant to Section 286.0105, Florida Statutes, if a person decides to appeal any decision made by the Board, with respect to any matter considered at such hearing or meeting, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made; which record includes the testimony and evidence upon which the appeal is to be based. Although a court reporter usually attends the hearing at the City's cost, the City is not required to provide a transcript of the hearing, which the Respondent may request at the Respondent's cost.

Any person who needs assistance in another language in order to speak during the public hearing or public comment portion of the meeting should contact the City's ADA Coordinator, Raquel Elejabarrieta, Esq., Director of Labor Relations and Risk Management (E-mail: relejabarrieta@coralgables.com, Telephone: 305-722-8686, TTY/TDD: 305-442-1600), at least three (3) business days before the meeting.

Any person with a disability requiring communication assistance (such as a sign language interpreter or other auxiliary aide or service) in order to attend or participate in the meeting should contact the City's ADA Coordinator, Raquel Elejabarrieta, Esq., Director of Labor Relations and Risk Management (E-mail: relejabarrieta@coralgables.com, Telephone: 305-722-8686, TTY/TDD: 305-442-1600), at least three (3) business days before the meeting.

c:

1008 E. Ponce LLC, 1390 S. Dixie Highway, Suite 1105, Coral Gables, Florida 33146-2936
1008 E. Ponce LLC, c/o Thomas G. Sherman, P.A., 90 Almeria Avenue, Coral Gables, Florida 33134-6170
Ocean Bank, 780 N.W. 42nd Avenue, Miami, Florida 33126-5540



CITY OF CORAL GABLES
DEVELOPMENT SERVICES DEPARTMENT
Affidavit of Posting

Case #: 19-9028

Title of Document Posted: Construction Regulation Board, Notice of Unsafe Structure Violation
For Failure To Recertify and Notice of Hearing

I, JOSE IGLESIAS, DO HEREBY SWEAR/AFFIRM THAT
THE AFOREMENTIONED NOTICE WAS PERSONALLY POSTED, BY ME, AT THE
ADDRESS OF 1008 E. PONCE DE LEON, ON 8-28-19
AT 10:42 AM. BOULEVARD

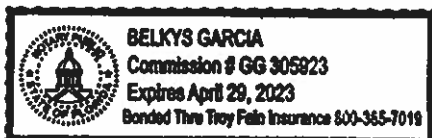
JOSE IGLESIAS
Employee's Printed Name

[Signature]
Employee's Signature

STATE OF FLORIDA)
ss.
COUNTY OF MIAMI-DADE)

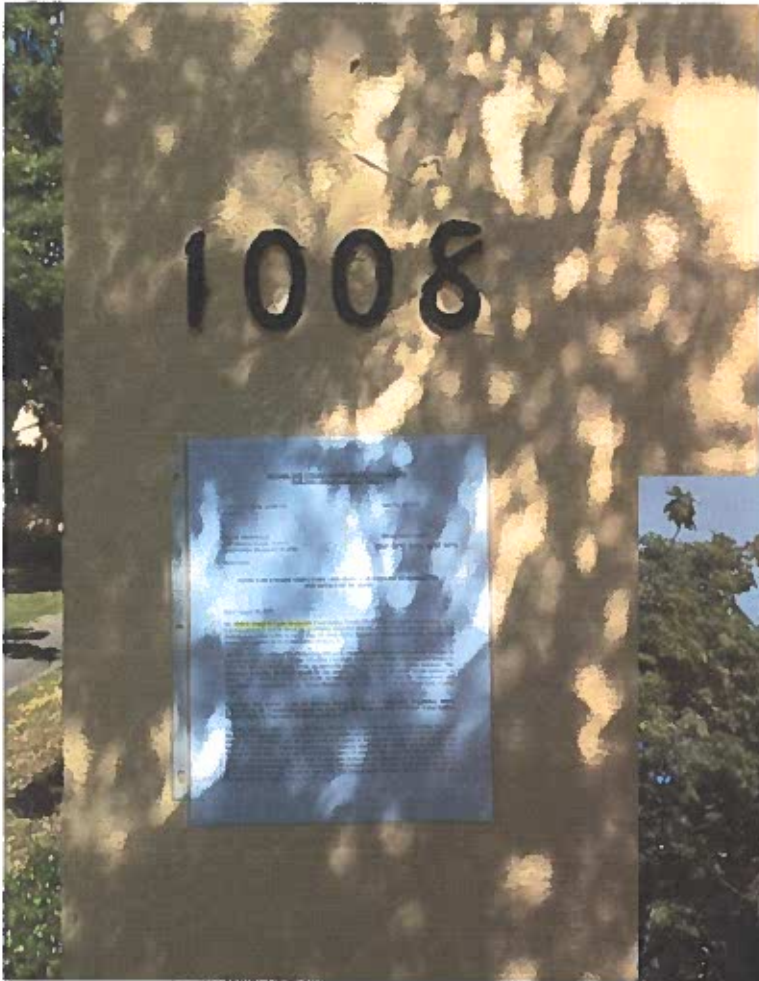
Sworn to (or affirmed) and subscribed before me this 28th day of August, in
the year 2019, by Jose Iglesias who is personally known to
me.

My Commission Expires:



Belkys Garcia
Notary Public

1008 E. PONCE DE LEON BOULEVARD



Instrument Prepared by:
Corey E. Hoffman, P.A.
3250 Mary St., Suite 303
Coconut Grove, FL 33133
File No: Kritchman Enterprises, Ltd. (Ponce)

Return to:
Union Title Services, Inc.
90 Almeria Avenue
Coral Gables, FL 33134
Phone: 305-444-4508

Parcel ID/Folio Number:
03-4108-009-1450

This section for recording only

WARRANTY DEED

THIS WARRANTY DEED made the 23 day of August, 2016 by Kritchman Enterprises, Ltd., a Florida limited partnership whose post office address is 2525 Ponce De Leon Blvd., Ste 600, Coral Gables, Florida 33134, hereinafter called "grantor", to 1008 E Ponce LLC, a Florida limited liability company whose post office address is 340 Minorca Avenue Suite 9, Coral Gables, FL 33134 hereinafter called "grantee":

(Wherever used herein the terms "grantor" and "grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

WITNESSETH: That the grantor, for and in consideration of the sum of \$10.00 and other valuable considerations, receipt is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirm unto the grantee, all that certain land situated in MIAMI-DADE County, Florida, to wit:

Lots 7, 8 and 9 and the Southwesterly 1/2 of Lot 6, Block 16, Revised Plat of Coral Gables Douglas Section, according to the Plat thereof, as recorded in Plat Book 25, Page 69, of the Public Records of Miami-Dade County, Florida.

Subject to easements, restrictions, reservations, and limitations of record, if any, without hereby re-imposing same.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND the grantor hereby covenants with said grantee that the grantor is lawfully seized of said land in fee simple; that the grantor has good rights and lawful authority to sell and convey said land; that the grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances, except taxes accruing subsequent to December 31, 2015.

IN WITNESS WHEREOF, the said grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in our presence:




Witness Signature

Witness Print Dan P. Heller

Kritchman Enterprises, Ltd., a Florida
limited partnership
By: Kritchman Enterprises, Inc., a Florida
corporation, General Partner

By: William Kritchman

William Kritchman, as President



Witness Signature

Witness Print Notary Public

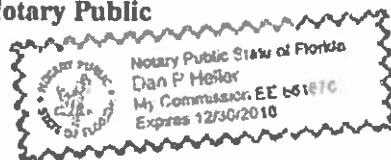
**STATE OF FLORIDA
COUNTY OF MIAMI-DADE**

I HEREBY CERTIFY that on this 23 day of August, 2016 before me, an officer duly
authorized in the aforesaid State and County, to take acknowledgments, personally appeared
**William Kritchman, as President of Kritchman Enterprises, Inc., a Florida corporation, as
General Partner of Kritchman Enterprises, Ltd., a Florida limited partnership**, who, after
being placed under oath, acknowledged the foregoing instrument. Affiant is personally known to
me or has presented 2/2 for identification purposes.

[Notary Seal]



Notary Public





DIVISION of
CORPORATIONS
an official State of Florida website

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Detail by Entity Name

Florida Limited Liability Company
1008 E PONCE LLC

Filing Information

Document Number	L16000156128
FE/EIN Number	81-3692844
Date Filed	08/19/2016
Effective Date	08/19/2016
State	FL
Status	ACTIVE
Last Event	REINSTATEMENT
Event Date Filed	02/09/2018

Principal Address

1390 SOUTH DIXIE HIGHWAY
SUITE 1105
CORAL GABLES, FL 33146

Mailing Address

1390 SOUTH DIXIE HIGHWAY
SUITE 1105
CORAL GABLES, FL 33146

Registered Agent Name & Address

THOMAS G. SHERMAN, P.A.
90 ALMERIA AVENUE
CORAL GABLES, FL 33134

Name Changed: 02/09/2018

Authorized Person(s) Detail

Name & Address

Title AMBR

AREVALO, LUIS A

1390 SOUTH DIXIE HIGHWAY, SUITE 1105
CORAL GABLES, FL 33146

Annual Reports

Report Year	Filed Date
2017	02/09/2018
2018	02/09/2018
2019	02/08/2019

Document Images

02/08/2019 -- ANNUAL REPORT [View image in PDF format](#)

02/09/2018 -- REINSTATEMENT [View image in PDF format](#)

08/19/2016 -- Florida Limited Liability [View image in PDF format](#)

Prepared by:

Josias N. Dewey
Holland & Knight LLP
701 Brickell Avenue, 33rd Floor
Miami, Florida 33131

MORTGAGE AND SECURITY AGREEMENT

This MORTGAGE AND SECURITY AGREEMENT dated September 7, 2016 (together with any amendments or modifications hereto in effect from time to time, the "Mortgage"), is made by 1008 E PONCE LLC, a Florida limited liability company, having an address of 1390 South Dixie Highway, Suite 1105, Coral Gables, Florida 33146 (the "Mortgagor"), in favor of OCEAN BANK, a Florida banking corporation, having an office at 780 N.W. 42nd Avenue, Miami, Florida 33126 ("Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of One Million Four Hundred Seventy Six Thousand Nine Hundred Thirty and No/100 Dollars (\$1,476,930.00) (the "Loan"), together with interest thereon, as evidenced by a Promissory Note of even date herewith from Mortgagor to Mortgagee maturing on September 7, 2021 (the "Note");

WHEREAS, Mortgagor is the owner of fee simple title to that certain tract of land located in Miami-Dade County, Florida, as more particularly described in Schedule "A" attached hereto and made a part hereof (the "Real Estate"); and

WHEREAS, to induce Mortgagee to make the Loan and to secure payment of the Note and the other obligations described below, Mortgagor has agreed to execute and deliver this Mortgage.

GRANTING CLAUSES

NOW, THEREFORE, to secure to Mortgagee (i) the repayment of all sums due under this Mortgage, the Note (and all extensions, renewals, replacements and amendments thereof) and the other Loan Documents (as such term is defined in the Note, the "Loan Documents"); (ii) the performance of all terms, conditions and covenants set forth in the Loan Documents; (iii) the repayment of all sums due or that may become due under or in connection with any present or future swap agreements (as defined in 11 U.S.C. §101) between Mortgagor and Mortgagee; (iv) the repayment of all reimbursement obligations due or that may become due under or in connection with any present or future letters of credit issued by Mortgagee for the account of Mortgagor; and (v) all other obligations or indebtedness of Mortgagor to Mortgagee of whatever kind or character and whenever borrowed or incurred, including without limitation, principal,

NOTE TO RECORDER: All documentary stamp and intangible taxes due in connection with the indebtedness evidenced by the Note are being paid in connection with the recordation of this instrument.

Record & Return To:
Union Title Services, Inc., Attn: Post Closing
90 Almeria Avenue, Coral Gables, Florida 33134

interest, fees, late charges and expenses, including attorneys' fees (subsections (i), (ii), (iii), (iv) and (v) collectively, the "Liabilities"), Mortgagor has mortgaged, granted and conveyed and by these presents **DOES HEREBY MORTGAGE, GRANT AND CONVEY TO MORTGAGEE, ITS SUCCESSORS AND ASSIGNS**, all of Mortgagor's right, title and interest now owned or hereafter acquired in and to each of the following (collectively, the "Property"):

(A) The Real Estate;

(B) Any and all buildings and improvements now or hereafter erected on, under or over the Real Estate (the "Improvements");

(C) Any and all fixtures, machinery, equipment and other articles of real, personal or mixed property, owned by Mortgagor, at any time now or hereafter installed in, attached to or situated in or upon the Real Estate, or the buildings and improvements now or hereafter erected thereon, or used or intended to be used in connection with the Real Estate, or in the operation of the buildings and improvements, plant, business or dwelling situate thereon, whether or not such real, personal or mixed property is or shall be affixed thereto, and all replacements, substitutions and proceeds of the foregoing (all of the foregoing herein called the "Service Equipment"), including without limitation: (i) all appliances, furniture and furnishings; all articles of interior decoration, floor, wall and window coverings; all office, restaurant, bar, kitchen and laundry fixtures, utensils, appliances and equipment; all supplies, tools and accessories; all storm and screen windows, shutters, doors, decorations, awnings, shades, blinds, signs, trees, shrubbery and other plantings; (ii) all building service fixtures, machinery and equipment of any kind whatsoever; all lighting, heating, ventilating, air conditioning, refrigerating, sprinkling, plumbing, security, irrigating, cleaning, incinerating, waste disposal, communications, alarm, fire prevention and extinguishing systems, fixtures, apparatus, machinery and equipment; all elevators, escalators, lifts, cranes, hoists and platforms; all pipes, conduits, pumps, boilers, tanks, motors, engines, furnaces and compressors; all dynamos, transformers and generators; (iii) all building materials, building machinery and building equipment delivered on site to the Real Estate during the course of, or in connection with any construction or repair or renovation of the buildings and improvements; (iv) all parts, fittings, accessories, accessions, substitutions and replacements therefor and thereof; and (v) all files, books, ledgers, reports and records relating to any of the foregoing;

(D) Any and all leases, subleases, tenancies, licenses, occupancy agreements or agreements to lease all or any portion of the Real Estate, Improvements, Service Equipment or all or any other portion of the Property and all extensions, renewals, amendments, modifications and replacements thereof, and any options, rights of first refusal or guarantees relating thereto (collectively, the "Leases"); all rents, income, receipts, revenues, security deposits, escrow accounts, reserves, issues, profits, awards and payments of any kind payable under the Leases or otherwise arising from the Real Estate, Improvements, Service Equipment or all or any other portion of the Property including, without limitation, minimum rents, additional rents, percentage rents, parking, maintenance and deficiency rents (collectively, the "Rents"); all of the following personal property (collectively referred to as the "Contracts"): all accounts, general intangibles and contract rights (including any right to payment thereunder, whether or not earned by

performance) of any nature relating to the Real Estate, Improvements, Service Equipment or all or any other portion of the Property or the use, occupancy, maintenance, construction, repair or operation thereof; all management agreements, franchise agreements, utility agreements and deposits, building service contracts, maintenance contracts, construction contracts and architect's agreements; all maps, plans, surveys and specifications; all warranties and guaranties; all permits, licenses and approvals; and all insurance policies, books of account and other documents, of whatever kind or character, relating to the use, construction upon, occupancy, leasing, sale or operation of the Real Estate, Improvements, Service Equipment or all or any other portion of the Property;

(E) Any and all estates, rights, tenements, hereditaments, privileges, easements, reversions, remainders and appurtenances of any kind benefiting or appurtenant to the Real Estate, Improvements or all or any other portion of the Property; all means of access to and from the Real Estate, Improvements or all or any other portion of the Property, whether public or private; all streets, alleys, passages, ways, water courses, water and mineral rights relating to the Real Estate, Improvements or all or any other portion of the Property; and all other claims or demands of Mortgagor, either at law or in equity, in possession or expectancy of, in, or to the Real Estate, Improvements or all or any other portion of the Property (all of the foregoing described in this subsection E herein called the "Appurtenances"); and

(F) Any and all "proceeds" of any of the above-described Real Estate, Improvements, Service Equipment, Leases, Rents, Contracts and Appurtenances, which term "proceeds" shall have the meaning given to it in the Uniform Commercial Code, as amended, (the "Code") of the State in which the Property is located (collectively, the "Proceeds") and shall additionally include whatever is received upon the use, lease, sale, exchange, transfer, collection or other utilization or any disposition or conversion of any of the Real Estate, Improvements, Service Equipment, Leases, Rents, Contracts and Appurtenances, voluntary or involuntary, whether cash or non-cash, including proceeds of insurance and condemnation awards, rental or lease payments, accounts, chattel paper, instruments, documents, contract rights, general intangibles, equipment and inventory.

TO HAVE AND TO HOLD the above granted and conveyed Property unto and to the proper use and benefit of Mortgagee and its successors and assigns, forever.

PROVIDED ALWAYS, and these presents are upon the express condition, that if (i) all the Liabilities, including without limitation, all termination payments and any other amounts due under or in connection with any swap agreements secured hereunder, are paid in full, (ii) unless otherwise waived by Mortgagee, at its sole discretion, each and every representation, warranty, agreement and covenant of this Mortgage and the other Loan Documents are complied with and abided by, and (iii) any swap agreements secured hereunder have matured or been terminated, then this Mortgage and the estate hereby created shall cease and be null and void and canceled of record.

The terms of the Loan Documents are hereby made a part of this Mortgage to the same extent and with the same effect as if fully set forth herein. All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Loan Documents.

AND Mortgagor covenants and agrees with and represents to Mortgagee as follows:

1. **FUTURE ADVANCES; PROTECTION OF PROPERTY.** This Mortgage shall secure any additional loans as well as any and all present or future advances and readvances under the Liabilities made by Mortgagee to or for the benefit of Mortgagor or the Property within twenty (20) years from the date hereof (whether such advances are obligatory or are made at the option of Mortgagee or otherwise), including, without limitation: (i) principal, interest, late charges, fees and other amounts due under the Liabilities or this Mortgage; (ii) all advances by Mortgagee to Mortgagor or any other person to pay costs of erection, construction, alteration, repair, restoration, maintenance and completion of any improvements on the Property; (iii) all advances made or costs incurred by Mortgagee for the payment of real estate taxes, assessments or other governmental charges, maintenance charges, insurance premiums, appraisal charges, environmental inspection, audit, testing or compliance costs, and costs incurred by Mortgagee for the enforcement and protection of the Property or the lien of this Mortgage; and (iv) all legal fees, costs and other expenses incurred by Mortgagee by reason of any default or otherwise in connection with the Liabilities. The total amount of the Liabilities that may be so secured may decrease to a zero amount from time to time, or may increase from time to time, but the total unpaid balance secured at any one time shall not exceed Three Million and No/100 Dollars (\$3,000,000.00).

Mortgagor agrees that if, at any time during the term of this Mortgage or following the commencement of a foreclosure action hereunder (whether before or after the entry of a judgment of foreclosure), Mortgagor fails to perform or observe any covenant or obligation under this Mortgage including, without limitation, payment of any of the foregoing, Mortgagee may (but shall not be obligated to) take such steps as are reasonably necessary to remedy any such nonperformance or nonobservance and provide payment thereof, after the expiration of any applicable cure period. All amounts advanced by Mortgagee shall be added to the amount secured by this Mortgage and the other Loan Documents (and, if advanced after the entry of a judgment of foreclosure, by such judgment of foreclosure), and shall be due and payable on demand, together with interest at the Default Rate set forth in the Note, such interest to be calculated from the date of such advance to the date of repayment thereof.

2. **REPRESENTATIONS, WARRANTIES AND COVENANTS.**

2.1. **Payment and Performance.** Mortgagor shall (a) pay to Mortgagee all sums required to be paid by Mortgagor under the Loan Documents, in accordance with their stated terms and conditions; (b) perform and comply with all terms, conditions and covenants set forth in each of the Loan Documents by which Mortgagor is bound; and (c) perform and comply with all of Mortgagor's obligations and duties as landlord under any Leases.

2.2. **Seisin and Warranty.** Mortgagor hereby warrants that (a) subject to any permitted exception in that certain Commonwealth Land Title Insurance Company Title Insurance Company Title Commitment No. 5784120 (the "Permitted Exception"), Mortgagor is seized of an indefeasible estate in fee simple in, and warrants the title to, the Property; (b) Mortgagor has the right, full power and lawful authority to mortgage, grant, convey and assign

the same to Mortgagee in the manner and form set forth herein; and (c) this Mortgage is a valid and enforceable first lien on the Property. Mortgagor hereby covenants that Mortgagor shall (a) preserve such title and the validity and priority of the lien of this Mortgage and shall forever warrant and defend the same to Mortgagee against all lawful claims whatsoever; and (b) execute, acknowledge and deliver all such further documents or assurances as may at any time hereafter be reasonably required by Mortgagee to protect fully the lien of this Mortgage.

2.3. **Insurance.** (a) Mortgagor shall obtain and maintain at all times throughout the term of this Mortgage the following insurance: (i) comprehensive commercial general liability insurance covering all operations of Mortgagor; (ii) "All-Risk" fire and extended coverage hazard insurance (non-reporting Commercial Property Policy with Special Cause of Loss form) covering the Property in an aggregate amount not less than 100% of the agreed upon full insurable replacement value of the Property, including coverage for loss of rents or business interruption and acts of terrorism; (iii) during the course of any construction, reconstruction, remodeling or repair of any Improvements, builders' all-risk extended coverage insurance (non-reporting Completed Value with Special Cause of Loss form) in amounts based upon the completed replacement value of the Improvements (excluding roads, foundations, parking areas, paths, walkways and like improvements) and endorsed to provide that occupancy by any person shall not void such coverage; (iv) if the Property is required to be insured pursuant to the National Flood Insurance Reform Act of 1994, and the regulations promulgated thereunder, flood insurance in an amount at least equal to the lesser of the agreed upon full insurable replacement value of the Property (less any value attributable to the Real Estate) or the maximum limit of coverage available; (v) insurance which complies with the workers' compensation and employers' liability laws of all states in which Mortgagor shall be required to maintain such insurance; and (vi) such other insurance as Mortgagee may reasonably require.

(b) Each insurance policy required under this Section shall: (i) be written by an insurance company authorized or licensed to do business in the state within which the Property is located having an Alfred M. Best Company, Inc. rating of "B+" or higher and a financial size category of not less than IX; (ii) be for terms of at least one year, with premium prepaid; (iii) be subject to the reasonable approval of Mortgagee as to insurance companies, amounts, content, forms of policies and expiration dates; and (iv) name Mortgagee, its successors and assigns: (1) as an additional insured under all liability insurance policies, and (2) as the first mortgagee, under a standard non-contributory mortgagee clause, on all property insurance policies and all loss of rents or loss of business income insurance policies.

(c) Mortgagor further agrees that each insurance policy: (i) shall provide at least thirty (30) days' prior written notice to Mortgagee prior to any policy reduction or cancellation for any reason; (ii) shall contain an endorsement or agreement by the insurer that any loss shall be payable to Mortgagee in accordance with the terms of such policy notwithstanding any act or negligence of Mortgagor which might otherwise result in forfeiture of such insurance; (iii) shall waive all rights of setoff, counterclaim, deduction or subrogation against Mortgagor; and (iv) shall exclude Mortgagee from the operation of any coinsurance clause.

(d) Intentionally Deleted.

(e) At least thirty (30) days prior to the expiration of any insurance policy, Mortgagor shall furnish evidence satisfactory to Mortgagee that such policy has been renewed or replaced or is no longer required.

(f) Notwithstanding the foregoing, in the event that Mortgagor fails to maintain insurance in accordance with this Section 2.3., and Mortgagee elects to obtain insurance to protect its interests hereunder, Mortgagee may obtain insurance in any amount and of any type Mortgagee deems appropriate, in accordance with the terms of this Mortgage, to protect Mortgagee's interest only and Mortgagee shall have no duty or obligation to Mortgagor to maintain insurance in any greater amount or of any other type for the benefit of Mortgagor. All insurance premiums incurred or paid by Mortgagee shall be at Mortgagor's sole cost and expense in accordance with Section 1 hereof. Mortgagee's election to obtain insurance shall not be deemed to waive any Event of Default (as hereinafter defined) hereunder.

2.4. Taxes and Other Charges. Mortgagor shall promptly pay and discharge all taxes, assessments, water and sewer rents, and other governmental charges imposed upon the Property prior to delinquency, but in no event after interest or penalties commence to accrue thereon. Notwithstanding the foregoing, Mortgagor shall have the right to contest, at its own expense, by appropriate legal proceedings conducted in good faith and with due diligence, the amount or validity of such taxes, assessments, water and sewer rents, or other governmental charges, provided that: (a) Mortgagor has established on its books or by deposit of cash with Mortgagee, at the option of Mortgagee, a reserve for the payment thereof in such unpaid amount as Mortgagee may require; and (b) such contest operates to prevent collection, stay any proceedings which may be instituted to enforce payment of such item, and prevent a sale of the Property to pay such item. Mortgagor shall promptly provide to Mortgagee, upon request, copies of receipted tax bills, canceled checks or other evidence satisfactory to Mortgagee evidencing that such taxes, assessments, water and sewer rents, and other governmental charges have been timely paid.

2.5. Escrows. During the term of the Loan, Mortgagor shall pay to Mortgagee at the time of each installment of interest or of interest and principal, as the case may be, due under the Note, and commencing with the first payment due after the date of such request, a sum equal to (a) the amount of the next installment of taxes and assessments levied or assessed against the Property, and/or (b) the premiums which will next become due on the insurance policies required by this Mortgage, all in amounts as estimated by Mortgagee, less all sums already paid therefor or deposited with Mortgagee for the payment thereof, divided by the number of payments to become due before two (2) months prior to the date when such taxes and assessments and/or premiums, as applicable, will become due, such sums to be held by Mortgagee to pay the same when due. If such escrow funds are not sufficient to pay such taxes and assessments and/or insurance premiums, as applicable, as the same become due, Mortgagor shall pay to Mortgagee, upon request, such additional amounts as Mortgagee shall estimate to be sufficient to make up any deficiency. No amount paid to Mortgagee hereunder shall be deemed to be trust funds but may be commingled with general funds of Mortgagee and no interest shall be payable thereon. Upon the occurrence of an Event of Default, Mortgagee shall have the right, at its sole discretion, to apply any amounts so held against the Liabilities.

2.6. **Transfer of Title.** Without the prior written consent of Mortgagee in each instance, Mortgagor shall not cause or permit any transfer of the Property or any part thereof, whether voluntarily, involuntarily or by operation of law, nor shall Mortgagor enter into any agreement or transaction to transfer, or accomplish in form or substance a transfer, of the Property. A "transfer" of the Property includes: (a) the direct or indirect sale, transfer or conveyance of the Property or any portion thereof or interest therein; (b) the execution of an installment sale contract or similar instrument affecting all or any portion of the Property; (c) if Mortgagor, or any general partner or member of Mortgagor, is a corporation, partnership, limited liability company or other business entity, the transfer (whether in one transaction or a series of transactions and whether a direct or indirect transfer) of any stock, partnership, limited liability company or other ownership interests in such corporation, partnership, limited liability company or entity; (d) if Mortgagor or any member of Mortgagor is a corporation, the creation or issuance of new stock by which an aggregate of 15% or more of such corporation's stock shall be vested in a party or parties who are not now stockholders; and (e) an agreement by Mortgagor leasing all or a substantial part of the Property for other than actual occupancy by a space tenant thereunder or a sale, assignment or other transfer of or the grant of a security interest in and to any Leases. Any individual and/or entity owning, directly or indirectly, fifteen percent (15%) or more of the Mortgagor may be required to guaranty the Loan. In any case, a minimum of 51% of the ownership interests of Mortgagor must guaranty the Loan and must have full control of the Mortgagor. Additionally, any change in the present ownership (directly or indirectly) of the Mortgagor or change in ownership structure of Mortgagor (directly or indirectly) shall constitute a default hereunder.

2.7. **No Encumbrances.** Mortgagor shall not create or permit to exist any mortgage, pledge, lien, security interest (including, without limitation, a purchase money security interest or a Property-Assessed Clean Energy loan ("PACE Loan")), encumbrance, attachment, levy, distraint or other judicial process on or against the Property or any part thereof (including, without limitation, fixtures and other personalty), whether superior or inferior to the lien of this Mortgage, without the prior written consent of Mortgagee. For the avoidance of doubt, Mortgagor shall not obtain any PACE Loan against the Property without prior written consent of Mortgagee, and any PACE Loan incurred without the Mortgagee's consent shall cause a default hereunder. Neither Mortgagor nor its constituents shall obtain any mezzanine or other secondary financing. Any loans between members of Mortgagor and Mortgagor shall be subordinate in all respects to the repayment of the Loan.

2.8. **No Modifications.** Mortgagor shall obtain Mortgagee's written consent prior to making any substantial modifications to the existing improvements on the Property, which consent shall be in Mortgagee's sole discretion.

2.9. **Removal of Fixtures.** Mortgagor shall not (except in the ordinary course of business) remove or permit to be removed from the Property any fixtures presently or in the future owned by Mortgagor as the term "fixtures" is defined by the law of the state where the Property is located (unless such fixtures have been replaced with similar fixtures of equal or greater utility and value).

2.10. Maintenance and Repair; Alterations. (a) Mortgagor shall (i) abstain from and not permit the commission of waste in or about the Property; (ii) keep the Property, at Mortgagor's own cost and expense, in good and substantial repair, working order and condition as it exists as of the date hereof; (iii) make or cause to be made, as and when necessary, all repairs and replacements, whether or not insurance proceeds are available therefor; and (iv) not remove, demolish, materially alter, discontinue the use of, permit to become deserted, or otherwise dispose of all or any part of the Property. All alterations, replacements, renewals or additions made pursuant hereto shall automatically become a part of the Property and shall be covered by the lien of this Mortgage.

(b) Mortgagee, and any persons authorized by Mortgagee, shall have the right, subject to advanced notice, but not the obligation, to enter upon the Property at any reasonable time, upon prior written notice, to inspect and photograph its condition and state of repair. In the event any such inspection reveals, in the sole discretion of Mortgagee, the necessity for any repair, alteration, replacement, clean-up or maintenance, Mortgagor shall, at the discretion of Mortgagee, either: (i) cause such work to be effected promptly; or (ii) promptly establish an interest bearing reserve fund with Mortgagee in an amount reasonably determined by Mortgagee for the purpose of effecting such work.

2.11. Compliance with Applicable Laws. Mortgagor agrees to observe, conform and comply, and to cause its tenants to observe, conform and comply with all federal, state, county, municipal and other governmental or quasi-governmental laws, rules, regulations, ordinances, codes, requirements, covenants, conditions, orders, licenses, permits, approvals and restrictions, including without limitation, Environmental Laws (as defined below) and the Americans with Disabilities Act of 1990 (collectively, the "Legal Requirements"), now or hereafter affecting all or any part of the Property, its occupancy or the business or operations now or hereafter conducted thereon and the personalty contained therein, within such time as required by such Legal Requirements. Mortgagor represents and warrants that, to Mortgagor's actual knowledge, the Property currently is in compliance with all Legal Requirements applicable to the Property.

2.12. Damage, Destruction and Condemnation.

(a) If all or any part of the Property shall be damaged or destroyed, or if title to or the temporary use of the whole or any part of the Property shall be taken or condemned by a competent authority for any public or quasi-public use or purpose, there shall be no abatement or reduction in the amounts payable by Mortgagor under the Loan Documents and Mortgagor shall continue to be obligated to make such payments.

(b) If all or any part of the Property is partially or totally damaged or destroyed, Mortgagor shall give prompt notice thereof to Mortgagee, and Mortgagee may make proof of loss if not made promptly by Mortgagor. Mortgagor hereby authorizes and directs any affected insurance company to make payment under such insurance, including return of unearned premiums, to Mortgagee instead of to Mortgagor and Mortgagee jointly, and Mortgagor appoints Mortgagee as Mortgagor's attorney-in-fact to endorse any draft thereof, which appointment, being for security, is coupled with an interest and irrevocable. Mortgagee is hereby authorized and empowered by Mortgagor to settle, adjust or compromise, in consultation with Mortgagor, any claims for loss, damage or destruction to the Property. Mortgagor shall pay all costs of

collection of insurance proceeds payable on account of such damage or destruction. Mortgagor shall have no claim against the insurance proceeds (unless the same exceed the amount of the indebtedness secured hereby, together with any unfunded commitment under the Loan Agreement), or be entitled to any portion thereof, and all rights to the insurance proceeds are hereby assigned to Mortgagee as security for payment of the Liabilities. Mortgagee shall have the option, in its sole, but reasonable, discretion, of paying or applying all or any part of the insurance proceeds to: (i) reduction of the Liabilities; (ii) restoration, replacement or repair of the Property ("Restoration") in accordance with Mortgagee's standard construction loan disbursement conditions and requirements; or (iii) Mortgagor. Notwithstanding the foregoing, provided (i) not more than twenty-five percent (25%) of the gross area of the Improvements is directly affected by such damage, destruction or loss and the amount of the loss does not exceed twenty-five percent (25%) of the original principal amount of the Loan, (ii) no Event of Default or event that with the passage of time or giving of notice or both would constitute an Event of Default has occurred and then remains uncured, (iii) the insurer does not deny liability to any named insured, (iv) business interruption insurance is available and in force for the entire Restoration period, (v) the remaining Improvements continue at all times to comply with all applicable building, zoning and other land use laws and regulations, (vi) in Mortgagee's reasonable judgment, the Restoration is practicable and can be completed within one (1) year after the damage, destruction or loss and at least one (1) year prior to the Maturity Date (as such term is defined and as may be extended pursuant to the Note) and (vii) rebuilding of the Improvements to substantially identical size, condition and use as existed prior to the casualty is permitted by all applicable laws and ordinances, then all of such proceeds shall be used for Restoration. In the event the foregoing criteria are satisfied (including that no Event of Default or event that, with the passage of time or giving of notice or both, would constitute an Event of Default has occurred hereunder, under the Note or other Loan Documents) or Mortgagee otherwise elects to allow the use of such proceeds for the Restoration, such proceeds shall be disbursed in accordance with the following provisions:

(i) Each request for an advance of insurance proceeds shall be made on seven (7) days' prior notice to Mortgagee and shall be accompanied by a certificate of the Architect, stating (A) that all work completed to date has been performed in compliance with the approved plans and specifications and in accordance with all provisions of law, (B) the sum requested is properly required to reimburse Mortgagor for payments by Mortgagor to, or is properly due to, the contractor, subcontractors, materialmen, laborers, engineers, architects or other persons rendering services or materials for the Restoration (giving a brief description of such services and materials), and that when added to all sums, if any, previously disbursed by Mortgagee, does not exceed the value of the work done to the date of such certificate and (C) that the amount of such proceeds remaining in the hands of Mortgagee will be sufficient on completion of the work to pay the same in full (giving, in such reasonable detail as Mortgagee may reasonably require, an estimate of the cost of such completion).

(ii) Each request for an advance of insurance proceeds shall, to the extent permitted under applicable law, be accompanied by waivers of liens reasonably satisfactory to Mortgagee covering that part of the Restoration previously paid for, if any, and by a search prepared by a title company or by other evidence reasonably satisfactory to Mortgagee including without limitation a title endorsement satisfactory to Mortgagee

if available in the state where the Real Property is located, that there has not been filed with respect to the Real Property any mechanic's lien or other lien or instrument and that there exist no encumbrances on or affecting the Real Property other than the Permitted Encumbrances or otherwise approved by Mortgagee. In addition to the foregoing, the request for the final advance shall be accompanied by (A) any final occupancy permit which may be required for the Improvements, (B) all other governmental permits, certificates and approvals and all other permits necessary for the occupancy and operation of the Real Property, (C) Tenant estoppels from tenants whose space was affected and (D) final lien waivers from all contractors, subcontractors and materialmen.

(iii) No advance of insurance proceeds shall be made if there exists an Event of Default or event which with the passage of time or the giving of notice or both would constitute an Event of Default.

(iv) If the cost of the Restoration (as reasonably estimated by Mortgagee) at any time shall exceed the amount of the insurance proceeds available therefor, insurance proceeds shall not be advanced until Mortgagor, before commencing the Restoration or continuing the Restoration, as the case may be, shall deposit the full amount of the deficiency (or other assurances reasonably satisfactory to Mortgagee) with Mortgagee and the amount so deposited shall first be applied toward the cost of the Restoration before any portion of the insurance proceeds is disbursed for such purpose.

Upon completion of the Restoration and payment in full therefor, or upon failure on the part of Mortgagor promptly to commence or diligently to continue the Restoration beyond any applicable cure or grace period, or at any time upon request by Mortgagor, Mortgagee may apply the amount of any such proceeds then or thereafter in the hands of Mortgagee to the payment of the Loan; provided, however, that nothing herein contained shall prevent Mortgagee from applying at any time the whole or any part of such proceeds to the curing of any default that has not been cured within the applicable cure period under this Mortgage, the Note or any other Loan Document.

(c) Promptly upon obtaining knowledge of the institution of any proceeding for the condemnation of all or any part of the Property, Mortgagor shall give notice to Mortgagee. Mortgagor shall, at its sole cost and expense, diligently prosecute any such proceeding and shall consult with Mortgagee, its attorneys and experts, and shall cooperate with it in the defense of any such proceeding. Mortgagee may participate in any such proceeding and Mortgagor shall from time to time deliver to Mortgagee all instruments requested by it to permit such participation. Mortgagor shall not, without Mortgagee's prior written consent, enter into any agreement (i) for the taking or conveyance in lieu thereof of all or any part of the Property, or (ii) to compromise, settle or adjust any such proceeding. All awards and proceeds of condemnation are hereby assigned to Mortgagee, and Mortgagor, upon request by Mortgagee, agrees to make, execute and deliver any additional assignments or documents necessary from time to time to enable Mortgagee to collect the same. Such awards and proceeds shall be paid or applied by Mortgagee, in its sole discretion, to: (i) reduction of the Liabilities; (ii) restoration, replacement or repair of the Property in accordance with Mortgagee's standard construction loan disbursement conditions and requirements; or (iii) Mortgagor.

(d) Nothing herein shall relieve Mortgagor of its duty to repair, restore, rebuild or replace the Property following damage or destruction or partial condemnation if no or inadequate insurance proceeds or condemnation awards are available to defray the cost of repair, restoration, rebuilding or replacement.

2.13. **Required Notices.** Mortgagor shall notify Mortgagee within three (3) business days of: (a) receipt of any notice of violation from any governmental or quasi-governmental authority relating to the structure, use or occupancy of the Property or alleging a violation of any Legal Requirement; (b) a substantial change in the occupancy or use of all or any part of the Property; (c) receipt of any notice from the holder of any lien or security interest in all or any part of the Property; (d) commencement of any litigation, which amount in controversy is in excess of \$500,000.00, affecting the financial ability of Mortgagor or the value of the Property; (e) notice of a pending or threatened condemnation of all or any part of the Property; (f) a fire or other casualty causing damage to all or any part of the Property; (g) receipt of any notice with regard to any Release of Hazardous Substances (as such terms are defined below) or any other environmental matter affecting the Property or Mortgagor's interest therein; (h) receipt of any request for information, demand letter or notification of potential liability from any entity relating to potential responsibility for investigation or clean-up of Hazardous Substances on the Property or at any other site owned or operated by Mortgagor; (i) receipt of any notice from any tenant at the Property alleging a material default, failure to perform or any right to terminate its lease or to set-off rents; or (j) receipt of any notice of the imposition of, or of threatened or actual execution on, any lien on or security interest in all or any part of the Property.

2.14. **Books and Records; Inspection.** Mortgagor shall keep and maintain (a) complete and accurate books and records, in accordance with generally accepted accounting principles consistently applied, reflecting all items of income and expense in connection with the operation of the Property, and (b) copies of all written contracts, leases and other agreements affecting the Property. Mortgagee or its designated representatives shall, upon reasonable prior written notice to Mortgagor, have (a) the right of entry and free access to the Property during business hours (which may be without notice in any case of emergency) to inspect the Property, and (b) the right to examine and audit all books, contracts and records of Mortgagor relating to the Property.

2.15. **Right to Reappraise.** Mortgagee shall have the right to conduct or have conducted by an independent appraiser acceptable to Mortgagee updated appraisals of the Property in form and substance satisfactory to Mortgagee at the sole cost and expense of Mortgagor, except that Mortgagor shall not be required to pay the cost of an appraisal unless (x) an Event of Default exists or (y) the appraisal is obtained in accordance with Section 5(e) of the Note.

3. **SECURITY AGREEMENT.** This Mortgage constitutes a security agreement under the Code and shall be deemed to constitute a fixture financing statement. Mortgagor hereby grants to Mortgagee a security interest in all of Mortgagor's right, title and interest in the personal and other property (other than real property) included in the Property, and all replacements of, substitutions for, and additions to, such property, and the proceeds thereof. Mortgagor shall, at Mortgagor's own expense, execute, deliver, file and refile any financing or continuation statements or other security agreements Mortgagee may require from time to time to perfect,

confirm or maintain the lien of this Mortgage with respect to such property. Without limiting the foregoing, Mortgagor hereby irrevocably appoints Mortgagee attorney-in-fact for Mortgagor to execute, deliver and file such instruments for or on behalf of Mortgagor at Mortgagor's expense, which appointment, being for security, is coupled with an interest and shall be irrevocable.

4. ASSIGNMENT OF LEASES.

4.1. Mortgagor hereby absolutely, presently and unconditionally conveys, transfers and assigns to Mortgagee all of Mortgagor's right, title and interest, now existing or hereafter arising, in and to the Leases and Rents. Notwithstanding that this assignment is effective immediately, so long as no Event of Default exists, Mortgagor shall have the privilege under a revocable license granted hereby to operate and manage the Property and to collect, as they become due, but not prior to accrual, the Rents. Mortgagor shall receive and hold such Rents in trust as a fund to be applied, and Mortgagor hereby covenants and agrees that such Rents shall be so applied, first to the operation, maintenance and repair of the Property and the payment of interest, principal and other sums becoming due under the Liabilities, before retaining and/or disbursing any part of the Rents for any other purpose. The license herein granted to Mortgagor shall automatically, without notice or any other action by Mortgagee, terminate upon the occurrence of an Event of Default, and all Rents subsequently collected or received by Mortgagor shall be held in trust by Mortgagor for the sole and exclusive benefit of Mortgagee. Nothing contained in this Section 4.1, and no collection by Mortgagee of Rents, shall be construed as imposing on Mortgagee any of the obligations of the lessor under the Leases.

4.2. Mortgagor shall timely perform all of its obligations under the Leases. Mortgagor represents and warrants that: (a) Mortgagor has title to and full right to assign presently, absolutely and unconditionally the Leases and Rents; (b) no other assignment of any interest in any of the Leases or Rents has been made by Mortgagor; (c) there are no leases or agreements to lease all or any portion of the Property now in effect except the Leases, true and complete copies of which have been furnished to Mortgagee, and no written or oral modifications have been made thereto; (d) there is no existing default by Mortgagor or by any tenant under any of the Leases, nor has any event occurred which due to the passage of time, the giving or failure to give notice, or both, would constitute a default under any of the Leases and no tenant has any defenses, set-offs or counterclaims against Mortgagor; (e) the Leases are in full force and effect; and (f) Mortgagor has not accepted Rent under any Lease more than thirty (30) days in advance of its accrual, and payment thereof has not otherwise been forgiven, discounted or compromised.

4.3. Mortgagor shall not, without the prior written consent of Mortgagee: (a) enter into any lease at the Property except in the ordinary course of business; (b) amend or modify, or consent any assignment of or subletting under, any Lease at the Property except in the ordinary course of business; (c) terminate or accept a surrender of any Lease; or (d) collect or accept rent from any tenant of the Property for a period of more than one month in advance. Any acts that require Mortgagee's consent under this Section 4.3, if done without the prior written consent of Mortgagee in each instance, shall be null and void.

5. DECLARATION OF NO OFFSET. Mortgagor represents to Mortgagee that Mortgagor has no knowledge of any offsets, counterclaims or defenses to the Liabilities either at

law or in equity. Mortgagor shall, within three (3) days upon written request delivered in person or within seven (7) days upon request by mail, furnish to Mortgagee or Mortgagee's designee a written statement in form satisfactory to Mortgagee stating the amount due under the Liabilities and whether there are offsets or defenses against the same, and if so, the nature and extent thereof.

6. ENVIRONMENTAL MATTERS.

6.1. **Definitions.** As used herein, "Environmental Laws" shall mean all existing or future federal, state and local statutes, ordinances, regulations, rules, executive orders, standards and requirements, including the requirements imposed by common law, concerning or relating to industrial hygiene and the protection of health and the environment including but not limited to: (a) those relating to the generation, manufacture, storage, transportation, disposal, release, emission or discharge of Hazardous Substances (as hereinafter defined); (b) those in connection with the construction, fuel supply, power generation and transmission, waste disposal or any other operations or processes relating to the Property; and (c) those relating to the atmosphere, soil, surface and ground water, wetlands, stream sediments and vegetation on, under, in or about the Property. Any terms mentioned herein which are defined in any Environmental Law shall have the meanings ascribed to such terms in said laws; provided, however, that if any of such laws are amended so as to broaden any term defined therein, such broader meaning shall apply subsequent to the effective date of such amendment.

6.2. **Representations, Warranties and Covenants.** Mortgagor represents, warrants, covenants and agrees as follows:

(a) Except as disclosed in that certain Phase I Environmental Assessment Report issued on May 20, 2016 by American Testing Materials Engineering LLC under Project No. 2016-053 (the "Environmental Report"), neither Mortgagor nor the Property or any occupant thereof is in violation of or subject to any existing, pending or threatened investigation or inquiry by any governmental authority pertaining to any Environmental Law. Mortgagor shall not cause or permit the Property to be in violation of, or do anything which would subject the Property to any remedial obligations under, any Environmental Law, and shall promptly notify Mortgagee in writing of any existing, pending or threatened investigation or inquiry by any governmental authority in connection with any Environmental Law. In addition, Mortgagor shall provide Mortgagee with copies of any and all material written communications with any governmental authority in connection with any Environmental Law, concurrently with Mortgagor's giving or receiving of same.

(b) Mortgagor has taken all commercially reasonable steps necessary to determine and, to Mortgagor's knowledge, there has been no release, spill, discharge, leak, disposal or emission (individually a "Release" and collectively, "Releases") of any hazardous material, hazardous substance or hazardous waste, including gasoline, petroleum products, explosives, toxic substances, solid wastes and radioactive materials (collectively, "Hazardous Substances") at, upon, under or within the Property. The use which Mortgagor or any other occupant of the Property makes or intends to make of the Property will not result in Release of any Hazardous Substances on or to the Property. During the term of this Mortgage, Mortgagor

shall take all steps necessary to determine whether there has been a Release of any Hazardous Substances on or to the Property and if Mortgagor finds a Release has occurred, Mortgagor shall remove or remediate the same promptly upon discovery at its sole cost and expense.

(c) The Property has never been used by the present or, to Mortgagor's actual knowledge based on the Environmental Report, previous owners and/or operators nor will be used in the future to refine, produce, store, handle, transfer, process, transport, generate, manufacture, heat, treat, recycle or dispose of Hazardous Substances.

(d) The Property: (i) is being and has been operated in compliance with all Environmental Laws, and all permits required thereunder have been obtained and complied with in all respects; and (ii) does not have any Hazardous Substances present excepting small quantities of petroleum and chemical products, in proper storage containers, that are necessary for the construction or operation of the commercial business of Mortgagor and its tenants, and the usual waste products therefrom ("Permitted Substances").

(e) Mortgagor will and will cause its tenants to operate the Property in compliance with all Environmental Laws and, other than Permitted Substances, will not place or permit to be placed any Hazardous Substances on the Property.

(f) No lien has been attached to or threatened to be imposed upon the Property, and there is no basis for the imposition of any such lien based on any governmental action under Environmental Laws. Neither Mortgagor nor any other person is or will be involved in operations at the Property which could lead to the imposition of environmental liability on Mortgagor, or on any subsequent or former owner of the Property, or the creation of an environmental lien on the Property. In the event that any such lien is filed, Mortgagor shall, within sixty (60) days from the date that the Mortgagor is given notice of such lien (or within such shorter period of time as is appropriate in the event that steps have commenced to have the Property sold), either: (i) pay the claim and remove the lien from the Property; or (ii) furnish a cash deposit, bond or other security satisfactory in form and substance to Mortgagee in an amount sufficient to discharge the claim out of which the lien arises.

6.3. Right to Inspect and Cure. Mortgagee shall have the right to conduct or have conducted by its agents or contractors such environmental inspections, audits and tests as Mortgagee shall deem necessary or advisable from time to time at the sole cost and expense of Mortgagor except that Mortgagor shall not be required to pay the cost of an environmental inspection, audit and or tests more frequently than once every calendar year unless Mortgagee has a reasonable basis to believe that new environmental problems (i.e. a problem not reflected in the environmental report delivered at closing) exist. The cost of such inspections, audits and tests shall be added to the Liabilities and shall be secured by this Mortgage. Mortgagor shall, and shall cause each tenant of the Property to, cooperate with such inspection efforts; such cooperation shall include, without limitation, supplying all information requested concerning the operations conducted and Hazardous Substances located at the Property. In the event that Mortgagor fails to comply with any Environmental Law, Mortgagee may, in addition to any of its other remedies under this Mortgage, cause the Property to be in compliance with such laws

and the cost of such compliance shall be added to the sums secured by this Mortgage in accordance with the provisions of Section 1 hereof.

6.4 Environmental Indemnification. (a) Mortgagor agrees, jointly and severally, to unconditionally and absolutely indemnify and hold Mortgagee, its officers, directors, employees, agents and attorneys harmless from and against any loss, cost, liability, damage, claim or expense, including reasonable attorneys' fees, suffered or incurred by Mortgagee in connection with the Property at any time, whether before, during or after enforcement of Mortgagee's rights and remedies upon default under the Loan Documents, under or on account of, or as a result of (i) any violation of applicable Environmental Laws, (ii) any presence, release, or threat of release of Hazardous Substances at, upon, under or within the Property, (iii) the presence of asbestos or asbestos-containing materials, PCB's, radon gas, urea formaldehyde foam insulation or lead (whether in paint, water, soil, or plaster) at the Property, (iv) any breach of the representations and warranties made in this Section 6, or (v) the failure of Mortgagor to duly perform the obligations or actions set forth in this Section 6 with respect to: (A) the imposition by any governmental authority of any lien upon the Property, (B) clean-up costs, (C) liability for personal injury or property damage or damage to the environment, (D) any diminution in the value of the Property and (E) fines, penalties and punitive damages.

(b) Mortgagor further agrees that Mortgagee shall not assume any liability or obligation for loss, damage, fines, penalties, claims or duty to clean up or dispose of wastes or materials on or relating to the Property as a result of any conveyance of title to the Property to the Mortgagee or otherwise or as a result of any inspections or any other actions made or taken by Mortgagee on the Property unless caused by the negligent or intentional acts of Mortgagee or anyone acting by or through Mortgagee, and (ii) Mortgagor agrees to remain fully liable and shall indemnify and hold harmless Mortgagee from any costs, expenses, clean-up costs, waste disposal costs, litigation costs, fines and penalties, including without limitation any costs, expenses, penalties and fines within the meaning of any applicable Environmental Laws.

(c) Mortgagor shall assume the burden and expense of defending Mortgagee, with counsel selected by Mortgagor and reasonably satisfactory to Mortgagee, against all legal and administrative proceedings arising out of the occurrences to which this Section 6 applies. Mortgagee shall have the right, but not the obligation, to participate in the defense of any such proceedings; provided, however, that the costs thereof shall be borne by Mortgagee if Mortgagee engages separate counsel unless Mortgagee reasonably believes counsel selected by Mortgagor is not conducting an adequate defense and new counsel selected by Mortgagors and reasonably approved by Mortgagee is not provided within ten (10) days following written notice from Mortgagee, in which event the cost of Mortgagee's separate counsel shall be borne by Mortgagor. Mortgagor may compromise or settle any such proceedings without the consent of Mortgagee only if the claimant agrees as part of the compromise or settlement that Mortgagee shall have no responsibility or liability for the payment or discharge of any amount agreed upon or obligation to take any other action.

(d) Mortgagor shall pay when due any judgments against Mortgagee which have been indemnified under this Section 6 and which are rendered by a final order or decree of a court of competent jurisdiction from which no further appeal may be taken or has been taken within the applicable appeal period. In the event that such payment is not made, Mortgagee, in its sole

discretion, may pay any such judgments on five (5) Business Days prior written notice to Mortgagor, in whole or in part, and look to Mortgagor for reimbursement pursuant to this Section 6, or may proceed to file suit against Mortgagor to compel such payment.

7. EVENTS OF DEFAULT. Each of the following shall, after the expiration of applicable cure periods, if any, constitute a default (each, an "Event of Default") hereunder:

7.1. Non-payment within ten (10) days of when any sum required to be paid to Mortgagee under any of the Loan Documents is due, including without limitation, principal and interest;

7.2. A breach of any covenant contained in Sections 2.3., 2.4., 2.6. or 2.7. hereof;

7.3. A breach by Mortgagor of any other term, covenant, condition, obligation or agreement under this Mortgage, and the continuance of such breach for a period of fifteen (15) days after written notice thereof shall have been given to Mortgagor; provided that if such default cannot reasonably be cured within such fifteen (15) day period and Mortgagor shall have commenced to cure such default within such fifteen (15) day period and thereafter diligently and expeditiously proceeds to cure the same, such fifteen (15) day period shall be extended for so long as it shall require Mortgagor in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of ninety (90) days;

7.4. An Event of Default under the Note or any of the other Loan Documents;

7.5. Any representation or warranty made by Mortgagor or any guarantor in any Loan Document or to induce Mortgagee to enter into the transactions contemplated hereunder shall prove to be false, incorrect or misleading in any material respect as of the date when made;

7.6. The filing by or against Mortgagor or any guarantor of a petition seeking relief, or the granting of relief, under the Federal Bankruptcy Code or any similar federal or state statute; any assignment for the benefit of creditors made by Mortgagor or any guarantor, unless with respect to any involuntary proceeding, it is dismissed within sixty (60) days after the filing thereof; the appointment of a custodian, receiver, liquidator or trustee for Mortgagor or any guarantor or for any of the property of Mortgagor or any such guarantor, or any action by Mortgagor or any guarantor to effect any of the foregoing; or if Mortgagor or any guarantor becomes insolvent (however defined) or is not paying its debts generally as they become due;

7.7. The death, dissolution, liquidation, merger, consolidation or reorganization of Mortgagor or any guarantor, or the institution of any proceeding to effect any of the foregoing;

7.8. A default under any other obligation by Mortgagor (or any affiliate of Mortgagor) or any guarantor (or affiliate of any such guarantor) in favor of Mortgagee, including obligations arising under swap agreements (as defined in 11 U.S.C. §101), or under any document securing or evidencing such obligation, whether or not such obligation is secured by the Property;

7.9. The filing, entry or issuance of any judgment, execution, garnishment, attachment, distraint or lien against Mortgagor or property, unless such judgment, execution, garnishment, attachment, distraint or lien is discharged by Mortgagor within thirty (30) days after its filing, entry or issuance; or

7.10. A default under any other material obligation secured by the Property or any part thereof.

8. **REMEDIES.** If an Event of Default shall have occurred, Mortgagee may take any of the following actions:

8.1. **Acceleration.** Mortgagee may declare the entire amount of the Liabilities immediately due and payable, without presentment, demand, notice of any kind, protest or notice of protest, all of which are expressly waived, notwithstanding anything to the contrary contained in any of the Loan Documents. Mortgagee may charge and collect interest from the date of default on the unpaid balance of the Liabilities, at the Default Rate set forth in the Note.

8.2. **Possession.** Mortgagee may enter upon and take possession of the Property, with legal action, lease the Property, collect therefrom all rentals and, after deducting all costs of collection and administration expense, apply the net rentals to any one or more of the following items in such manner and in such order of priority as Mortgagee, in Mortgagee's sole discretion, may elect: the payment of any sums due under any prior lien, taxes, water and sewer rents, charges and claims, insurance premiums and all other carrying charges, to the maintenance, repair or restoration of the Property, or on account of the Liabilities. Mortgagee is given full authority to do any act which Mortgagor could do in connection with the management and operation of the Property. This covenant is effective either with or without any action brought to foreclose this Mortgage and without applying for a receiver of such rents. In addition to the foregoing, upon the occurrence of an Event of Default, Mortgagor shall pay monthly in advance to Mortgagee or to any receiver appointed to collect said rents the fair and reasonable rental value for Mortgagor's use and occupation of the Property, and upon default in any such payment Mortgagor shall vacate and surrender the possession of the Property to Mortgagee or to such receiver. If Mortgagor does not vacate and surrender the Property then Mortgagor may be evicted by summary proceedings.

8.3. **Foreclosure.** Mortgagee may institute any one or more actions of mortgage foreclosure against all or any part of the Property, or take such other action at law, equity or by contract for the enforcement of this Mortgage and realization on the security herein or elsewhere provided for, as the law may allow, and may proceed therein to final judgment and execution for the entire unpaid balance of the Liabilities. The unpaid balance of any judgment shall bear interest at the greater of (a) the statutory rate provided for judgments, or (b) the Default Rate. Without limiting the foregoing, Mortgagee may foreclose this Mortgage and exercise its rights as a secured party for all or any portion of the Liabilities which are then due and payable, subject to the continuing lien of this Mortgage for the balance not then due and payable. In case of any sale of the Property by judicial proceedings, the Property may be sold in one parcel or in such parcels, manner or order as Mortgagee in its sole discretion may elect. Mortgagor, for itself and anyone claiming by, through or under it, hereby agrees that Mortgagee shall in no manner, in law

or in equity, be limited, except as herein provided, in the exercise of its rights in the Property or in any other security hereunder or otherwise appertaining to the Liabilities or any other obligation secured by this Mortgage, whether by any statute, rule or precedent which may otherwise require said security to be marshalled in any manner and Mortgagor, for itself and others as aforesaid, hereby expressly waives and releases any right to or benefit thereof. The failure to make any tenant a defendant to a foreclosure proceeding shall not be asserted by Mortgagor as a defense in any proceeding instituted by Mortgagee to collect the Liabilities or any deficiency remaining unpaid after the foreclosure sale of the Property.

8.4. **Appointment of Receiver.** Mortgagee may petition a court of competent jurisdiction to appoint a receiver of the Property. 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, without regard to the then value of the Property or whether the Property shall be then occupied as a homestead or not, and without regard to whether Mortgagor has committed waste or allowed deterioration of the Property, and Mortgagee or any agent of Mortgagee may be appointed as such receiver. Mortgagor hereby agrees that Mortgagee has a special interest in the Property and absent the appointment of such receiver the Property shall suffer waste and deterioration and Mortgagor further agrees that it shall not contest the appointment of a receiver and hereby so stipulates to such appointment pursuant to this paragraph. Such receiver shall have the power to perform all of the acts permitted Mortgagee pursuant to Section 8.2 above and such other powers which may be necessary or customary in such cases for the protection, possession, control, management and operation of the Property during such period.

8.5. **Rights as a Secured Party.** Mortgagee shall have, in addition to other rights and remedies available at law or in equity, the rights and remedies of a secured party under the Code. Mortgagee may elect to foreclose such of the Property as then comprise fixtures pursuant either to the law applicable to foreclosure of an interest in real estate or to that applicable to personal property under the Code. To the extent permitted by law, Mortgagor waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect.

8.6. **Excess Monies.** Mortgagee may apply on account of the Liabilities any unexpended monies still retained by Mortgagee that were paid by Mortgagor to Mortgagee: (a) for the payment of, or as security for the payment of taxes, assessments or other governmental charges, insurance premiums, or any other charges; or (b) to secure the performance of some act by Mortgagor.

8.7. **Other Remedies.** Mortgagee shall have the right, from time to time, to bring an appropriate action to recover any sums required to be paid by Mortgagor under the terms of this Mortgage, as they become due, without regard to whether or not any other Liabilities shall be due, and without prejudice to the right of Mortgagee thereafter to bring an action of mortgage foreclosure, or any other action, for any default by Mortgagor existing at the time the earlier action was commenced. In addition, Mortgagee shall have the right to set-off all or any part of any amount due by Mortgagor to Mortgagee under any of the Liabilities, against any indebtedness, liabilities or obligations owing by Mortgagee in any capacity to Mortgagor,

including any obligation to disburse to Mortgagor any funds or other property on deposit with or otherwise in the possession, control or custody of Mortgagee.

9. MISCELLANEOUS.

9.1. Notices. All notices and communications under this Mortgage shall be in writing and shall be given by either (a) hand-delivery, (b) first class mail (postage prepaid), or (c) reliable overnight commercial courier (charges prepaid), to the addresses listed in this Mortgage. Notice shall be deemed to have been given and received: (a) if by hand delivery, upon delivery; (b) if by mail, three (3) calendar days after the date first deposited in the United States mail; and (c) if by overnight courier, on the date scheduled for delivery. A party may change its address by giving written notice to the other party as specified herein.

9.2. Remedies Cumulative. The rights and remedies of Mortgagee as provided in this Mortgage or in any other Loan Document shall be cumulative and concurrent, may be pursued separately, successively or together, may be exercised as often as occasion therefor shall arise, and shall be in addition to any other rights or remedies conferred upon Mortgagee at law or in equity. The failure, at any one or more times, of Mortgagee to assert the right to declare the Liabilities due, grant any extension of time for payment of the Liabilities, take other or additional security for the payment thereof, release any security, change any of the terms of the Loan Documents, or waive or fail to exercise any right or remedy under any Loan Document shall not in any way affect this Mortgage or the rights of Mortgagee.

9.3. No Implied Waiver. Mortgagee shall not be deemed to have modified or waived any of its rights or remedies hereunder unless such modification or waiver is in writing and signed by Mortgagee, and then only to the extent specifically set forth therein. A waiver in one event shall not be construed as continuing or as a waiver of or bar to such right or remedy on a subsequent event.

9.4. Partial Invalidity. The invalidity or unenforceability of any one or more provisions of this Mortgage shall not render any other provision invalid or unenforceable. In lieu of any invalid or unenforceable provision, there shall be added automatically a valid and enforceable provision as similar in terms to such invalid or unenforceable provision as may be possible.

9.5. Binding Effect. The covenants, conditions, waivers, releases and agreements contained in this Mortgage shall bind, and the benefits thereof shall inure to, the parties hereto and their respective heirs, executors, administrators, successors and assigns and are intended and shall be held to be real covenants running with the land; provided, however, that this Mortgage cannot be assigned by Mortgagor without the prior written consent of Mortgagee, and any such assignment or attempted assignment by Mortgagor shall be void and of no effect with respect to Mortgagee.

9.6. Modifications. This Mortgage 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.

9.7. **Commercial Loan.** Mortgagor represents and warrants that the loans or other financial accommodations included as Liabilities secured by this Mortgage were obtained solely for the purpose of carrying on or acquiring a business or commercial investment and not for residential, consumer or household purposes.

9.8. **Governing Law.** This Mortgage shall be governed by and construed in accordance with the substantive laws of the State of Florida without reference to conflict of laws principles.

9.9. **Joint and Several Liability.** If Mortgagor consists of more than one person or entity, the word "Mortgagor" shall mean each of them and their liability shall be joint and several.

9.10. **Non-Merger.** In the event Mortgagee shall acquire title to the Property by conveyance from Mortgagor or as a result of foreclosure, this Mortgage shall not merge in the fee estate of the Property but shall remain and continue as an existing and enforceable lien for the Liabilities secured hereby until the same shall be released of record by Mortgagee in writing.

[Remainder of page intentionally left blank; signature page to follow.]

IN WITNESS WHEREOF, Mortgagor, intending to be legally bound, has duly executed and delivered this Mortgage and Security Agreement as of the day and year first above written.

WITNESS:

[Signature]
Name: Erena Otun
[Signature]
Name: Jonathan S. Trabitz

MORTGAGOR:

1008 E PONCE LLC,
a Florida limited liability company

By: [Signature]
Luis A. Arevalo, Manager

STATE OF FLORIDA)
SS.:)
COUNTY OF MIAMI-DADE)

The foregoing instrument was acknowledged before me this 2nd day of September, 2016 by Luis A. Arevalo, the Manager of 1008 E PONCE LLC, a Florida limited liability company, on behalf of the company. He is personally known to me (YES) (NO) or has produced FL DL as identification.

[Notarial Seal]



[Signature]
Notary Public
Jonathan S. Trabitz
Printed Name of Notary

Schedule A

Lots 7, 8 and 9 and the Southwesterly 1/2 of Lot 6, Block 16, Revised Plat of Coral Gables Douglas Section, according to the Plat thereof, as recorded in Plat Book 25, Page 69, of the Public Records of Miami-Dade County, Florida.

#47735047_v3



CFN 20190014266
OR BK 31282 Pgs 1480-1496 (17Pgs)
RECORDED 01/08/2019 12:40:49
MTG DOC TAX \$1,050.00
INTANG TAX \$600.00
HARVEY RUVIN, CLERK OF COURT
MIAMI-DADE COUNTY, FLORIDA

Prepared by and after
recording return to:

Robert T. Youngs, Esq.
Ocean Bank, Legal Department
780 NW 42 Avenue, Suite 500
Miami, FL 33126

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

This SECOND MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, AND SECURITY AGREEMENT dated December 5, 2018 (together with any amendments or modifications hereto in effect from time to time, the "Mortgage"), is made by 1008 E Ponce LLC, a Florida limited liability company, having an address of 1390 South Dixie Highway, Suite 1105, Coral Gables, Florida 33146 ("Mortgagor"), in favor of OCEAN BANK, a Florida banking corporation, having an office at 780 N.W. 42nd Avenue, Miami, Florida 33126 ("Mortgagee").

WITNESSETH:

WHEREAS, on the same date as this Agreement, Mortgagee made a loan to T&A Builders, Inc., a Florida corporation ("Borrower") known as Loan No. 252501366163 ("Loan"), in the principal amount of THREE HUNDRED THOUSAND AND 00/100 DOLLARS (\$300,000.00) as evidenced by that certain Promissory Note dated the same date as this Mortgage, in that amount, from Borrower in favor of Mortgagor ("Note").

WHEREAS, Mortgagor is the owner of fee simple title to that certain tract of land located in Miami-Dade County, Florida, as more particularly described as follows (the "Real Estate"):

Lots 7, 8 and 9 and the Southwesterly 1/2 of Lot 6, Block 16, Revised Plat of Coral Gables Douglas Section, according to the Plat thereof, as recorded in Plat Book 25, Page 69, of the Public Records of Miami-Dade County, Florida.

WHEREAS, Mortgagor has a financial interest in Borrower so as to benefit from and receive consideration from Borrower, and Mortgagor acknowledges receipt of sufficient consideration of a reasonably equivalent value from Borrower in exchange for the granting of this Mortgage to Mortgagee to secure performance and payment of Borrower under the Note and the other obligations of the Loan, as described below, Mortgagor has agreed to execute and deliver this Mortgage.

GRANTING CLAUSES:

NOW, THEREFORE, to secure to Mortgagee: (i) the repayment of all sums due under this Mortgage, the Note (and all extensions, renewals, replacements and amendments thereof) and the other documents executed or delivered in connection with the Loan (all together, the "Loan Documents"); (ii) the performance of all terms, conditions and covenants set forth in the Loan Documents; (iii) the repayment of all reimbursement obligations due or that may become due under or in connection with any present or future letters of credit issued by Mortgagee for the account of Mortgagor; and (iv) all other obligations or indebtedness of Borrower to Mortgagee of whatever kind or character and whenever borrowed or incurred, including without limitation, principal, interest, fees, late charges and expenses, including attorneys' fees (subsections (i), (ii), (iii), and (iv) collectively, the "Liabilities"), Mortgagor has

mortgaged, granted and conveyed and by these presents DOES HEREBY MORTGAGE, GRANT AND CONVEY TO MORTGAGEE, ITS SUCCESSORS AND ASSIGNS, all of Mortgagor's right, title and interest now owned or hereafter acquired in and to each of the following (collectively, the "Property");

(A) The Real Estate;

(B) Any and all buildings and improvements now or hereafter erected on, under or over the Real Estate (the "Improvements");

(C) Any and all fixtures, machinery, equipment and other articles of real, personal or mixed property, belonging to Mortgagor, at any time now or hereafter installed in, attached to or situated in or upon the Real Estate, or the buildings and improvements now or hereafter erected thereon, or used or intended to be used in connection with the Real Estate, or in the operation of the buildings and improvements, plant, business or dwelling situate thereon, whether or not such real, personal or mixed property is or shall be affixed thereto, and all replacements, substitutions and proceeds of the foregoing (all of the foregoing herein called the "Service Equipment"), including without limitation: (i) all appliances, furniture and furnishings; all articles of interior decoration, floor, wall and window coverings; all office, restaurant, bar, kitchen and laundry fixtures, utensils, appliances and equipment; all supplies, tools and accessories; all storm and screen windows, shutters, doors, decorations, awnings, shades, blinds, signs, trees, shrubbery and other plantings; (ii) all building service fixtures, machinery and equipment of any kind whatsoever; all lighting, heating, ventilating, air conditioning, refrigerating, sprinkling, plumbing, security, irrigating, cleaning, incinerating, waste disposal, communications, alarm, fire prevention and extinguishing systems, fixtures, apparatus, machinery and equipment; all elevators, escalators, lifts, cranes, hoists and platforms; all pipes, conduits, pumps, boilers, tanks, motors, engines, furnaces and compressors; all dynamos, transformers and generators; (iii) all building materials, building machinery and building equipment delivered on site to the Real Estate during the course of, or in connection with any construction or repair or renovation of the buildings and improvements; (iv) all parts, fittings, accessories, accessions, substitutions and replacements therefor and thereof; and (v) all files, books, ledgers, reports and records relating to any of the foregoing;

(D) Any and all leases, subleases, tenancies, licenses, occupancy agreements or agreements to lease all or any portion of the Real Estate, Improvements, Service Equipment or all or any other portion of the Property and all extensions, renewals, amendments, modifications and replacements thereof, and any options, rights of first refusal or guarantees relating thereto (collectively, the "Leases"); all rents, income, receipts, revenues, security deposits, escrow accounts, reserves, issues, profits, awards and payments of any kind payable under the Leases or otherwise arising from the Real Estate, Improvements, Service Equipment or all or any other portion of the Property including, without limitation, minimum rents, additional rents, percentage rents, parking, maintenance and deficiency rents (collectively, the "Rents"); all of the following personal property (collectively referred to as the "Contracts"): all accounts, general intangibles and contract rights (including any right to payment thereunder, whether or not earned by performance) of any nature relating to the Real Estate, Improvements, Service Equipment or all or any other portion of the Property or the use, occupancy, maintenance, construction, repair or operation thereof; all management agreements, franchise agreements, utility agreements and deposits, building service contracts, maintenance contracts, construction contracts and architect's agreements; all maps, plans, surveys and specifications; all warranties and guaranties; all permits, licenses and approvals; and all insurance policies, books of account and other documents, of whatever kind or character, relating to the use, construction upon, occupancy, leasing, sale or operation of the Real Estate, Improvements, Service Equipment or all or any other portion of the Property;

(E) Any and all estates, rights, tenements, hereditaments, privileges, easements, reversions, remainders and appurtenances of any kind benefiting or appurtenant to the Real Estate, Improvements or

all or any other portion of the Property; all means of access to and from the Real Estate, Improvements or all or any other portion of the Property, whether public or private; all streets, alleys, passages, ways, water courses, water and mineral rights relating to the Real Estate, Improvements or all or any other portion of the Property; and all other claims or demands of Mortgagor, either at law or in equity, in possession or expectancy of, in, or to the Real Estate, Improvements or all or any other portion of the Property (all of the foregoing described in this subsection (E) herein called the "Appurtenances"); and

(F) Any and all "proceeds" of any of the above-described Real Estate, Improvements, Service Equipment, Leases, Rents, Contracts and Appurtenances, which term "proceeds" shall have the meaning given to it in the Uniform Commercial Code, as amended, (the "Code") of the State in which the Property is located (collectively, the "Proceeds") and shall additionally include whatever is received upon the use, lease, sale, exchange, transfer, collection or other utilization or any disposition or conversion of any of the Real Estate, Improvements, Service Equipment, Leases, Rents, Contracts and Appurtenances, voluntary or involuntary, whether cash or non-cash, including proceeds of insurance and condemnation awards, rental or lease payments, accounts, chattel paper, instruments, documents, contract rights, general intangibles, equipment and inventory.

TO HAVE AND TO HOLD the above granted and conveyed Property unto and to the proper use and benefit of Mortgagee and its successors and assigns, forever.

PROVIDED ALWAYS, and these presents are upon the express condition, that if (i) all the Liabilities, including without limitation, all termination payments and any other amounts due under or in connection with any swap agreements secured hereunder, are paid in full, (ii) each and every representation, warranty, agreement and covenant of this Mortgage and the other Loan Documents are complied with and abided by, and (iii) any swap agreements secured hereunder have matured or been terminated, then this Mortgage and the estate hereby created shall cease and be null and void and canceled of record.

The terms of the Loan Documents are hereby made a part of this Mortgage to the same extent and with the same effect as if fully set forth herein. All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Loan Documents.

AND Mortgagor covenants and agrees with and represents to Mortgagee as follows:

1. FUTURE ADVANCES; PROTECTION OF PROPERTY. {Intentionally deleted.}
2. REPRESENTATIONS, WARRANTIES AND COVENANTS.

2.1. Payment and Performance. Borrower shall (a) pay to Mortgagee all sums required to be paid by Mortgagor under the Loan Documents, in accordance with their stated terms and conditions; (b) perform and comply with all terms, conditions and covenants set forth in each of the Loan Documents by which Borrower is bound; and (c) perform and comply with all of Mortgagor's obligations and duties as landlord under any Leases.

2.2. Seisin and Warranty. Mortgagor hereby warrants that (a) Mortgagor is seized of an indefeasible estate in fee simple in, and warrants the title to, the Property; (b) Mortgagor has the right, full power and lawful authority to mortgage, grant, convey and assign the same to Mortgagee in the manner and form set forth herein; and (c) this Mortgage is a valid and enforceable second lien on the Property, subject only to that certain first mortgage dated September 7, 2016, in favor of OCEAN BANK, a Florida banking corporation ("First Mortgagee"), filed for record September 9, 2016 in Official Records Book 30225, at Page 1807, of the Public Records of Miami-Dade County, Florida (the "First Mortgage").

Mortgagor hereby covenants that Mortgagor shall (a) preserve such title and the validity and priority of the lien of this Mortgage and shall forever warrant and defend the same to Mortgagee against all lawful claims whatsoever; and (b) execute, acknowledge and deliver all such further documents or assurances as may at any time hereafter be reasonably required by Mortgagee to protect fully the lien of this Mortgage.

2.3. Insurance. (a) Mortgagor shall obtain and maintain at all times throughout the term of this Mortgage the following insurance: (i) comprehensive commercial general liability insurance covering all operations of Mortgagor; (ii) "All-Risk" fire and extended coverage hazard insurance (non-reporting Commercial Property Policy with Special Cause of Loss form) covering the Property in an aggregate amount not less than 100% of the agreed upon full insurable replacement value of the Property, including coverage for loss of rents or business interruption and for windstorm and acts of terrorism; (iii) during the course of any construction, reconstruction, remodeling or repair of any Improvements, builders' all-risk extended coverage insurance (non-reporting Completed Value with Special Cause of Loss form) in amounts based upon the completed replacement value of the Improvements (excluding roads, foundations, parking areas, paths, walkways and like improvements) and endorsed to provide that occupancy by any person shall not void such coverage; (iv) if the Property is required to be insured pursuant to the National Flood Insurance Reform Act of 1994, and the regulations promulgated thereunder, flood insurance in an amount at least equal to the lesser of the agreed upon full insurable replacement value of the Property (less any value attributable to the Real Estate) or the maximum limit of coverage available; (v) insurance which complies with the workers' compensation and employers' liability laws of all states in which Mortgagor shall be required to maintain such insurance; and (vi) such other insurance as Mortgagee may reasonably require.

(b) Each insurance policy required under this Section shall: (i) be written by an insurance company authorized or licensed to do business in the state within which the Property is located having an Alfred M. Best Company, Inc. rating of "B+" or higher and a financial size category of not less than IX; (ii) be for terms of at least one year, with premium prepaid; (iii) be subject to the reasonable approval of Mortgagee as to insurance companies, amounts, content, forms of policies and expiration dates; and (iv) name Mortgagee, its successors and assigns: (1) as an additional insured under all liability insurance policies, and (2) as the first mortgagee, under a standard non-contributory mortgagee clause, on all property insurance policies and all loss of rents or loss of business income insurance policies.

(c) Mortgagor further agrees that each insurance policy: (i) shall provide at least thirty (30) days' prior written notice to Mortgagee prior to any policy reduction or cancellation for any reason; (ii) shall contain an endorsement or agreement by the insurer that any loss shall be payable to Mortgagee in accordance with the terms of such policy notwithstanding any act or negligence of Mortgagor which might otherwise result in forfeiture of such insurance; (iii) shall waive all rights of setoff, counterclaim, deduction or subrogation against Mortgagor; and (iv) shall exclude Mortgagee from the operation of any coinsurance clause.

(d) Mortgagor further agrees that the deductible for windstorm coverage shall not exceed ten percent (10%) unless approved in writing by Mortgagee, in its sole and absolute discretion. If the property insurance policy excludes windstorm coverage in the windstorm pool areas, Mortgagor covenants and agrees to obtain the maximum coverage from the Citizens Property Insurance Corporation.

(e) At least thirty (30) days prior to the expiration of any insurance policy, Mortgagor shall furnish evidence satisfactory to Mortgagee that such policy has been renewed or replaced or is no longer required.

(f) Notwithstanding the foregoing, in the event that Mortgagor fails to maintain insurance in accordance with this Section 2.3., and Mortgagee elects to obtain insurance to protect its

interests hereunder, Mortgagee may obtain insurance in any amount and of any type Mortgagee deems appropriate to protect Mortgagee's interest only and Mortgagee shall have no duty or obligation to Mortgagor to maintain insurance in any greater amount or of any other type for the benefit of Mortgagor. All insurance premiums incurred or paid by Mortgagee shall be at Mortgagor's sole cost and expense in accordance with Section 1 hereof. Mortgagee's election to obtain insurance shall not be deemed to waive any Event of Default (as hereinafter defined) hereunder. *Notwithstanding anything herein to the contrary, so long as the First Mortgage is outstanding, Mortgagor shall only be required to carry such insurance as is required under the First Mortgage, without including any modification after the date of this Second Mortgage. In the event of any conflict between the insurance requirements of the First Mortgage (without including any modification after the date of this Second Mortgage) and this Mortgage, the terms of the First Mortgage shall govern, provided however that the Mortgagee hereunder shall be named as an additional insured in the insurance policy.*

2.4. Taxes and Other Charges. Mortgagor shall promptly pay and discharge all taxes, assessments, water and sewer rents, and other governmental charges imposed upon the Property prior to delinquency, but in no event after interest or penalties commence to accrue thereon or become a lien upon the Property. Notwithstanding the foregoing, Mortgagor shall have the right to contest, at its own expense, by appropriate legal proceedings conducted in good faith and with due diligence, the amount or validity of such taxes, assessments, water and sewer rents, or other governmental charges, provided that: (a) Mortgagor has established on its books or by deposit of cash with Mortgagee, at the option of Mortgagee, a reserve for the payment thereof in such amount as Mortgagee may require; and (b) such contest operates to prevent collection, stay any proceedings which may be instituted to enforce payment of such item, and prevent a sale of the Property to pay such item. Mortgagor shall promptly provide to Mortgagee, upon request, copies of receipted tax bills, canceled checks or other evidence satisfactory to Mortgagee evidencing that such taxes, assessments, water and sewer rents, and other governmental charges have been timely paid.

2.5. Escrows. [Intentionally deleted.]

2.6. Transfer of Title. Without the prior written consent of Mortgagee in each instance, which consent shall not be unreasonable withheld or denied, Mortgagor shall not cause or permit any transfer of the Property or any part thereof, whether voluntarily, involuntarily or by operation of law, nor shall Mortgagor enter into any agreement or transaction to transfer, or accomplish in form or substance a transfer, of the Property. A "transfer" of the Property includes: (a) the direct or indirect sale, transfer or conveyance of the Property or any portion thereof or interest therein; (b) the execution of an installment sale contract or similar instrument affecting all or any portion of the Property; (c) if Mortgagor, or any general partner or member of Mortgagor, is a corporation, partnership, limited liability company or other business entity, the transfer (whether in one transaction or a series of transactions and whether a direct or indirect transfer) of any stock, partnership, limited liability company or other ownership interests in such corporation, partnership, limited liability company or entity; (d) if Mortgagor or any member of Mortgagor is a corporation, the creation or issuance of new stock by which an aggregate of 15% or more of such corporation's stock shall be vested in a party or parties who are not now stockholders; and (e) an agreement by Mortgagor leasing all or a substantial part of the Property for other than actual occupancy by a space tenant thereunder or a sale, assignment or other transfer of or the grant of a security interest in and to any Leases. Notwithstanding anything to the contrary contained herein, in the event that either (i) fifty one percent (51%) of the ownership interests are no longer guarantying the Loan and possessing full control over the Mortgagor, or (ii) any individual and/or entity owning, directly or indirectly, fifteen percent (15%) or more of the Borrower is not also a guarantor of the Loan, same shall constitute an Event of Default hereunder.

2.7. No Encumbrances. Mortgagor shall not create or permit to exist any mortgage (other than the First Mortgage defined in Section 2.2), pledge, lien, security interest (including, without limitation, a purchase money security interest), encumbrance, attachment, levy, distraint or other judicial process on or against the Property or any part thereof (including, without limitation, fixtures and other personalty), whether superior or inferior to the lien of this Mortgage, without the prior written consent of Mortgagee. Neither Mortgagor nor its constituents shall obtain any mezzanine or other additional financing. Any loans between members of Mortgagor and Mortgagee shall be subordinate in all respects to the repayment of the Loan.

2.8. Removal of Fixtures. Mortgagor shall not (except in the ordinary course of business) remove or permit to be removed from the Property any fixtures presently or in the future owned by Mortgagor as the term "fixtures" is defined by the law of the state where the Property is located (unless such fixtures have been replaced with similar fixtures of equal or greater utility and value).

2.9. Maintenance and Material Repair; Alterations. (a) Mortgagor shall (i) abstain from and not permit the commission of waste in or about the Property; (ii) keep the Property, at Mortgagor's own cost and expense, in good and substantial repair, working order and condition; (iii) make or cause to be made, as and when necessary, all repairs and replacements, whether or not insurance proceeds are available therefore; and (iv) not remove, demolish, materially alter, discontinue the use of, permit to become deserted, or otherwise dispose of all or any part of the Property. All alterations, replacements, renewals or additions made pursuant hereto shall automatically become a part of the Property and shall be covered by the lien of this Mortgage.

(b) Mortgagee, and any persons authorized by Mortgagee, shall have the right, but not the obligation, to enter upon the Property at any reasonable time following at least 48 hours prior written notice to Mortgagor to inspect and photograph its condition and state of repair. In the event any such inspection reveals, in the sole discretion of Mortgagee, the necessity for any repair, alteration, replacement, clean-up or maintenance, Mortgagor shall, at the discretion of Mortgagee, either: (i) cause such work to be effected promptly; or (ii) promptly establish an interest bearing reserve fund with Mortgagee in an amount reasonably determined by Mortgagee for the purpose of effecting such work.

2.10. Compliance with Applicable Laws. Mortgagor agrees to observe, conform and comply, and to cause its tenants to observe, conform and comply with all federal, state, county, municipal and other governmental or quasi-governmental laws, rules, regulations, ordinances, codes, requirements, covenants, conditions, orders, licenses, permits, approvals and restrictions, including without limitation, Environmental Laws (as defined below) and the Americans with Disabilities Act of 1990 (collectively, the "Legal Requirements"), now or hereafter affecting all or any part of the Property, its occupancy or the business or operations now or hereafter conducted thereon and the personalty contained therein, within such time as required by such Legal Requirements. Mortgagor represents and warrants that, to the best of Mortgagor's knowledge, the Property currently is in compliance with all Legal Requirements applicable to the Property.

2.11. Damage, Destruction and Condemnation.

(a) If all or any part of the Property shall be damaged or destroyed, or if title to or the temporary use of the whole or any part of the Property shall be taken or condemned by a competent authority for any public or quasi-public use or purpose, there shall be no abatement or reduction in the amounts payable by Mortgagor under the Loan Documents and Mortgagor shall continue to be obligated to make such payments.

(b) If all or any part of the Property is partially or totally damaged or destroyed, Mortgagor shall give prompt notice thereof to Mortgagee, and Mortgagee may make proof of loss if not made promptly by Mortgagor. Mortgagor hereby authorizes and directs any affected insurance company to make payment under such insurance, including return of unearned premiums, to Mortgagee instead of to Mortgagor and Mortgagee jointly, and Mortgagor appoints Mortgagee as Mortgagor's attorney-in-fact to endorse any draft thereof, which appointment, being for security, is coupled with an interest and irrevocable. Mortgagee is hereby authorized and empowered by Mortgagor to settle, adjust or compromise, in consultation with Mortgagor, any claims for loss, damage or destruction to the Property. Mortgagor shall pay all costs of collection of insurance proceeds payable on account of such damage or destruction. Mortgagor shall have no claim against the insurance proceeds, or be entitled to any portion thereof, and all rights to the insurance proceeds are hereby assigned to Mortgagee as security for payment of the Liabilities. Mortgagee shall have the option, in its sole discretion, of paying or applying all or any part of the insurance proceeds to: (i) reduction of the Liabilities; (ii) restoration, replacement or repair of the Property in accordance with Mortgagee's standard construction loan disbursement conditions and requirements; or (iii) Mortgagor.

(c) Promptly upon obtaining knowledge of the institution of any proceeding for the condemnation of all or any part of the Property, Mortgagor shall give notice to Mortgagee. Mortgagor shall, at its sole cost and expense, diligently prosecute any such proceeding and shall consult with Mortgagee, its attorneys and experts, and shall cooperate with it in the defense of any such proceeding. Mortgagee may participate in any such proceeding and Mortgagor shall from time to time deliver to Mortgagee all instruments requested by it to permit such participation. Mortgagor shall not, without Mortgagee's prior written consent, enter into any agreement (i) for the taking or conveyance in lieu thereof of all or any part of the Property, or (ii) to compromise, settle or adjust any such proceeding. All awards and proceeds of condemnation are hereby assigned to Mortgagee, and Mortgagor, upon request by Mortgagee, agrees to make, execute and deliver any additional assignments or documents necessary from time to time to enable Mortgagee to collect the same. Such awards and proceeds shall be paid or applied by Mortgagee, in its sole discretion, to: (i) reduction of the Liabilities; (ii) restoration, replacement or repair of the Property in accordance with Mortgagee's standard construction loan disbursement conditions and requirements; or (iii) Mortgagor.

(d) Nothing herein shall relieve Mortgagor of its duty to repair, restore, rebuild or replace the Property following damage or destruction or partial condemnation if no or inadequate insurance proceeds or condemnation awards are available to defray the cost of repair, restoration, rebuilding or replacement.

2.12. Required Notices. Mortgagor shall notify Mortgagee within three (3) business days of: (a) receipt of any notice from any governmental or quasi-governmental authority relating to the structure, use or occupancy of the Property or alleging a violation of any Legal Requirement; (b) a substantial change in the occupancy or use of all or any part of the Property; (c) receipt of any notice from the holder of any lien or security interest in all or any part of the Property; (d) commencement of any litigation affecting or potentially affecting the financial ability of Mortgagor or the value of the Property; (e) a pending or threatened condemnation of all or any part of the Property; (f) a fire or other casualty causing damage to all or any part of the Property; (g) receipt of any notice with regard to any Release of Hazardous Substances (as such terms are defined below) or any other environmental matter affecting the Property or Mortgagor's interest therein; (h) receipt of any request for information, demand letter or notification of potential liability from any entity relating to potential responsibility for investigation or clean-up of Hazardous Substances on the Property or at any other site owned or operated by Mortgagor; (i) receipt of any notice from any tenant at the Property alleging a default, failure to perform or any right to terminate its lease or to set-off rents; or (j) receipt of any notice of the imposition of, or of threatened or actual execution on, any lien on or security interest in all or any part of the Property.

2.13. Books and Records; Inspection. Mortgagor shall keep and maintain (a) complete and accurate books and records, in accordance with generally accepted accounting principles consistently applied, reflecting all items of income and expense in connection with the operation of the Property, and (b) copies of all written contracts, leases and other agreements affecting the Property. Mortgagee or its designated representatives shall, upon reasonable prior written notice to Mortgagor, have (a) the right of entry and free access to the Property during business hours (which may be without notice in any case of emergency) to inspect the Property, and (b) the right to examine and audit all books, contracts and records of Mortgagor relating to the Property.

2.14. Right to Reappraise. [Intentionally Deleted.]

3. SECURITY AGREEMENT. This Mortgage constitutes a security agreement under the Code and shall be deemed to constitute a fixture financing statement. Mortgagor hereby grants to Mortgagee a security interest in all of Mortgagor's right, title and interest in the personal and other property (other than real property) included in the Property, and all replacements of, substitutions for, and additions to, such property, and the proceeds thereof. Mortgagor shall, at Mortgagor's own expense, execute, deliver, file and refile any financing or continuation statements or other security agreements Mortgagee may require from time to time to perfect, confirm or maintain the lien of this Mortgage with respect to such property. A photocopy of an executed financing statement shall be effective as an original. Without limiting the foregoing, Mortgagor hereby irrevocably appoints Mortgagee attorney-in-fact for Mortgagor to execute, deliver and file such instruments for or on behalf of Mortgagor at Mortgagor's expense, which appointment, being for security, is coupled with an interest and shall be irrevocable.

4. ASSIGNMENT OF LEASES.

4.1. Mortgagor hereby absolutely, presently and unconditionally conveys, transfers and assigns to Mortgagee all of Mortgagor's right, title and interest, now existing or hereafter arising, in and to the Leases and Rents, provided however, that this assignment is subject to the priority of any assignment to the First Mortgagee of Mortgagee's right, title and interest, now existing or hereafter arising, in and to the Leases and Rents. Notwithstanding that this assignment is effective immediately, so long as no Event of Default exists, Mortgagor shall have the privilege under a revocable license granted hereby to operate and manage the Property and to collect, as they become due, but not prior to accrual, the Rents. Mortgagor shall receive and hold such Rents in trust as a fund to be applied, and Mortgagor hereby covenants and agrees that such Rents shall be so applied, first to the operation, maintenance and repair of the Property and the payment of interest, principal and other sums becoming due under the Liabilities, before retaining and/or disbursing any part of the Rents for any other purpose. The license herein granted to Mortgagor shall automatically, without notice or any other action by Mortgagee, terminate upon the occurrence of an Event of Default, and all Rents subsequently collected or received by Mortgagor shall be held in trust by Mortgagor for the sole and exclusive benefit of Mortgagee. Nothing contained in this Section 4.1, and no collection by Mortgagee of Rents, shall be construed as imposing on Mortgagee any of the obligations of the lessor under the Leases.

4.2. Mortgagor shall timely perform all of its obligations under the Leases. Mortgagor represents and warrants that: (a) Mortgagor has title to and full right to assign presently, absolutely and unconditionally the Leases and Rents; (b) no other assignment of any interest in any of the Leases or Rents has been made by Mortgagor; (c) there are no leases or agreements to lease all or any portion of the Property now in effect except the Leases, true and complete copies of which have been furnished to Mortgagee, and no written or oral modifications have been made thereto; (d) there is no existing default by Mortgagor or by any tenant under any of the Leases, nor has any event occurred which due to the passage of time, the giving or failure to give notice, or both, would constitute a default under any of the

Leases and no tenant has any defenses, set-offs or counterclaims against Mortgagor; (e) the Leases are in full force and effect; and (f) Mortgagor has not accepted Rent under any Lease more than thirty (30) days in advance of its accrual, and payment thereof has not otherwise been forgiven, discounted or compromised.

4.3. [Intentionally Deleted.]

5. DECLARATION OF NO OFFSET. Mortgagor represents to Mortgagee that Mortgagor has no knowledge of any offsets, counterclaims or defenses to the Liabilities either at law or in equity. Mortgagor shall, within three (3) days upon written request delivered in person or within seven (7) days upon request by mail, furnish to Mortgagee or Mortgagee's designee a written statement in form satisfactory to Mortgagee stating the amount due under the Liabilities and whether there are offsets or defenses against the same, and if so, the nature and extent thereof.

6. ENVIRONMENTAL MATTERS.

6.1. Definitions. As used herein, "Environmental Laws" shall mean all existing or future federal, state and local statutes, ordinances, regulations, rules, executive orders, standards and requirements, including the requirements imposed by common law, concerning or relating to industrial hygiene and the protection of health and the environment including but not limited to: (a) those relating to the generation, manufacture, storage, transportation, disposal, release, emission or discharge of Hazardous Substances (as hereinafter defined); (b) those in connection with the construction, fuel supply, power generation and transmission, waste disposal or any other operations or processes relating to the Property; and (c) those relating to the atmosphere, soil, surface and ground water, wetlands, stream sediments and vegetation on, under, in or about the Property. Any terms mentioned herein which are defined in any Environmental Law shall have the meanings ascribed to such terms in said laws; provided, however, that if any of such laws are amended so as to broaden any term defined therein, such broader meaning shall apply subsequent to the effective date of such amendment.

6.2. Representations, Warranties and Covenants. Mortgagor represents, warrants, covenants and agrees as follows:

(a) Neither Mortgagor nor the Property or any occupant thereof is in violation of or subject to any existing, pending or threatened investigation or inquiry by any governmental authority pertaining to any Environmental Law. Mortgagor shall not cause or permit the Property to be in violation of, or do anything which would subject the Property to any remedial obligations under, any Environmental Law, and shall promptly notify Mortgagee in writing of any existing, pending or threatened investigation or inquiry by any governmental authority in connection with any Environmental Law. In addition, Mortgagor shall provide Mortgagee with copies of any and all material written communications with any governmental authority in connection with any Environmental Law, concurrently with Mortgagor's giving or receiving of same.

(b) Mortgagor has taken all steps reasonably necessary to determine and has determined that there has been no release, spill, discharge, leak, disposal or emission (individually a "Release" and collectively, "Releases") of any hazardous material, hazardous substance or hazardous waste, including gasoline, petroleum products, explosives, toxic substances, solid wastes and radioactive materials (collectively, "Hazardous Substances") at, upon, under or within the Property. The use which Mortgagor or any other occupant of the Property makes or intends to make of the Property will not result in Release of any Hazardous Substances on or to the Property. During the term of this Mortgage, Mortgagor shall take all steps necessary to determine whether there has been a Release of any Hazardous Substances on or

to the Property and if Mortgagor finds a Release has occurred, Mortgagor shall remove or remediate the same promptly upon discovery at its sole cost and expense.

(c) To the knowledge of Mortgagor, the Property has never been used by the present or previous owners and/or operators nor will be used in the future to refine, produce, store, handle, transfer, process, transport, generate, manufacture, heat, treat, recycle or dispose of Hazardous Substances.

(d) The Property: (i) is being and, to the knowledge of Mortgagor, has been operated in compliance with all Environmental Laws, and all permits required thereunder have been obtained and complied with in all respects; and (ii) does not have any Hazardous Substances present excepting small quantities of petroleum and chemical products, in proper storage containers, that are necessary for the construction or operation of the commercial business of Mortgagor and its tenants, and the usual waste products therefrom ("Permitted Substances").

(e) Mortgagor will and will cause its tenants to operate the Property in compliance with all Environmental Laws and, other than Permitted Substances, will not place or permit to be placed any Hazardous Substances on the Property.

(f) No lien has been attached to or threatened to be imposed upon the Property, and there is no basis for the imposition of any such lien based on any governmental action under Environmental Laws. Neither Mortgagor nor any other person is or will be involved in operations at the Property which could lead to the imposition of environmental liability on Mortgagor, or on any subsequent or former owner of the Property, or the creation of an environmental lien on the Property. In the event that any such lien is filed, Mortgagor shall, within sixty (60) days from the date that the Mortgagor is given notice of such lien (or within such shorter period of time as is appropriate in the event that steps have commenced to have the Property sold), either: (i) pay the claim and remove the lien from the Property; or (ii) furnish a cash deposit, bond or other security satisfactory in form and substance to Mortgagee in an amount sufficient to discharge the claim out of which the lien arises.

6.3. Right to Inspect and Cure. Mortgagee shall have the right to conduct or have conducted by its agents or contractors such environmental inspections, audits and tests as Mortgagee shall deem necessary or advisable from time to time at the sole cost and expense of Mortgagor. The cost of such inspections, audits and tests shall be added to the Liabilities and shall be secured by this Mortgage. Mortgagor shall, and shall cause each tenant of the Property to, cooperate with such inspection efforts; such cooperation shall include, without limitation, supplying all information requested concerning the operations conducted and Hazardous Substances located at the Property. In the event that Mortgagor fails to comply with any Environmental Law, Mortgagee may, in addition to any of its other remedies under this Mortgage, cause the Property to be in compliance with such laws and the cost of such compliance shall be added to the sums secured by this Mortgage in accordance with the provisions of Section 1 hereof.

6.4 Environmental Indemnification. (a) Mortgagor agrees, jointly and severally, to unconditionally and absolutely indemnify and hold Mortgagee, its officers, directors, employees, agents and attorneys harmless from and against any loss, cost, liability, damage, claim or expense, including reasonable attorneys' fees, suffered or incurred by Mortgagee in connection with the Property at any time, whether before, during or after enforcement of Mortgagee's rights and remedies upon default under the Loan Documents, under or on account of, or as a result of (i) any violation of applicable Environmental Laws, (ii) any presence, release, or threat of release of Hazardous Substances at, upon, under or within the Property, (iii) the presence of asbestos or asbestos-containing materials, PCB's, radon gas, urea formaldehyde foam insulation or lead (whether in paint, water, soil, or plaster) at the Property, (iv) any breach of the representations and warranties made in this Section 6, or (v) the failure of Mortgagor to duly

perform the obligations or actions set forth in this Section 6 with respect to: (A) the imposition by any governmental authority of any lien upon the Property, (B) clean-up costs, (C) liability for personal injury or property damage or damage to the environment, (D) any diminution in the value of the Property and (E) fines, penalties and punitive damages.

(b) Mortgagor further agrees that Mortgagee shall not assume any liability or obligation for loss, damage, fines, penalties, claims or duty to clean up or dispose of wastes or materials on or relating to the Property as a result of any conveyance of title to the Property to the Mortgagee or otherwise or as a result of any inspections or any other actions made or taken by Mortgagee on the Property unless caused by the negligent or intentional acts of Mortgagee or anyone acting by or through Mortgagee, and (ii) Mortgagor agrees to remain fully liable and shall indemnify and hold harmless Mortgagee from any costs, expenses, clean-up costs, waste disposal costs, litigation costs, fines and penalties, including without limitation any costs, expenses, penalties and fines within the meaning of any applicable Environmental Laws.

(c) Mortgagor shall assume the burden and expense of defending Mortgagee, with counsel selected by Mortgagor and reasonably satisfactory to Mortgagee, against all legal and administrative proceedings arising out of the occurrences to which this Section 6 applies. Mortgagee shall have the right, but not the obligation, to participate in the defense of any such proceedings; provided, however, that the costs thereof shall be borne by Mortgagee if Mortgagee engages separate counsel unless Mortgagee reasonably believes counsel selected by Mortgagor is not conducting an adequate defense and new counsel selected by Mortgagors and reasonably approved by Mortgagee is not provided within ten (10) days following written notice from Mortgagee, in which event the cost of Mortgagee's separate counsel shall be borne by Mortgagor. Mortgagor may compromise or settle any such proceedings without the consent of Mortgagee only if the claimant agrees as part of the compromise or settlement that Mortgagee shall have no responsibility or liability for the payment or discharge of any amount agreed upon or obligation to take any other action.

(d) Mortgagor shall pay when due any judgments against Mortgagee which have been indemnified under this Section 6 and which are rendered by a final order or decree of a court of competent jurisdiction from which no further appeal may be taken or has been taken within the applicable appeal period. In the event that such payment is not made, Mortgagee, in its sole discretion, may pay any such judgments on five (5) Business Days prior written notice to Mortgagor, in whole or in part, and look to Mortgagor for reimbursement pursuant to this Section 6, or may proceed to file suit against Mortgagor to compel such payment.

7. EVENTS OF DEFAULT. Each of the following shall constitute a default (each, an "Event of Default") hereunder:

7.1. Non-payment when due (subject to any applicable cure periods other than those contained in this Section 7) of any sum required to be paid to Mortgagee under any of the Loan Documents, including without limitation, principal and interest, regardless of whether such non-payment is an obligation of Borrower or Mortgagor;

7.2 A breach of any covenant contained in Sections 2.3., 2.4., 2.6. or 2.7. hereof which shall remain uncured by the 30th day after the breach;

7.3. For a breach other than as described in Sections 7.1, 7.2, and 7.4 herein, a breach by Mortgagor of any term, covenant, condition, obligation or agreement under this Mortgage, and the continuance of such breach for a period of thirty (30) days after written notice thereof shall have been given to Mortgagor, provided however, if the cure is not capable of being cured within such thirty (30)

days, then Mortgagor shall have a reasonable time after the initial notice of breach to cure such breach, which time shall not exceed a total of sixty (60) days after the initial written notice of the breach;

7.4. An Event of Default under the Note or any of the other Loan Documents (subject to any applicable cure periods other than those contained in this Section 7), regardless of whether such default is a failure of Borrower or Mortgagor of any other person;

7.5. Any representation or warranty made by Mortgagor or any guarantor in any Loan Document or to induce Mortgagee to enter into the transactions contemplated hereunder shall prove to be false, incorrect or misleading in any material and adverse respect as of the date when made;

7.6. The filing by or against Mortgagor or any guarantor of a petition seeking relief, or the granting of relief, under the Federal Bankruptcy Code or any similar federal or state statute; any assignment for the benefit of creditors made by Mortgagor or any guarantor, unless with respect to any involuntary proceeding, it is dismissed within sixty (60) days after the filing thereof; the appointment of a custodian, receiver, liquidator or trustee for Mortgagor or any guarantor or for any of the property of Mortgagor or any such guarantor, or any action by Mortgagor or any guarantor to effect any of the foregoing; or if Mortgagor or any guarantor becomes insolvent (however defined) or is not paying its debts generally as they become due;

7.7. The death, dissolution, liquidation, merger, consolidation or reorganization of Borrower or Mortgagor or any guarantor, or the institution of any proceeding to effect any of the foregoing;

7.8. A default (subject to any applicable cure periods other than those contained in this Section 7) under any other obligation by Mortgagor (or any affiliate of Mortgagor) or any guarantor (or affiliate of any such guarantor) in favor of Mortgagee, including obligations arising under swap agreements (as defined in 11 U.S.C. §101), or under any document securing or evidencing such obligation, whether or not such obligation is secured by the Property;

7.9. The filing, entry or issuance of any judgment, execution, garnishment, attachment, dstraint or lien against Mortgagor or any guarantor or their property, unless such judgment, execution, garnishment, attachment, dstraint or lien is discharged by Mortgagor within thirty (30) days after its filing, entry or issuance; or

7.10. [Intentionally Deleted.]

7.11. A default under (1) the existing promissory note in the original principal amount of \$1,476,930.00 executed by Mortgagor in favor of Ocean Bank dated September 7, 2016, and secured by the First Mortgage.

8. **REMEDIES.** If an Event of Default shall have occurred, Mortgagee may take any of the following actions:

8.1. **Acceleration.** Mortgagee may declare the entire amount of the Liabilities immediately due and payable, without presentment, demand, notice of any kind, protest or notice of protest, all of which are expressly waived, notwithstanding anything to the contrary contained in any of the Loan Documents. Mortgagee may charge and collect interest from the date of default on the unpaid balance of the Liabilities, at the Default Rate set forth in the Note.

8.2. **Possession.** Mortgagee may enter upon and take possession of the Property, with or without legal action, lease the Property, collect therefrom all rentals and, after deducting all costs of

collection and administration expense, apply the net rentals to any one or more of the following items in such manner and in such order of priority as Mortgagee, in Mortgagee's sole discretion, may elect: the payment of any sums due under any prior lien, taxes, water and sewer rents, charges and claims, insurance premiums and all other carrying charges, to the maintenance, repair or restoration of the Property, or on account of the Liabilities. Mortgagee is given full authority to do any act which Mortgagor could do in connection with the management and operation of the Property. This covenant is effective either with or without any action brought to foreclose this Mortgage and without applying for a receiver of such rents. In addition to the foregoing, upon the occurrence of an Event of Default, Mortgagor shall pay monthly in advance to Mortgagee or to any receiver appointed to collect said rents the fair and reasonable rental value for Mortgagor's use and occupation of the Property, and upon default in any such payment Mortgagor shall vacate and surrender the possession of the Property to Mortgagee or to such receiver. If Mortgagor does not vacate and surrender the Property then Mortgagor may be evicted by summary proceedings.

8.3. Foreclosure. Mortgagee may institute any one or more actions of mortgage foreclosure against all or any part of the Property, or take such other action at law, equity or by contract for the enforcement of this Mortgage and realization on the security herein or elsewhere provided for, as the law may allow, and may proceed therein to final judgment and execution for the entire unpaid balance of the Liabilities. The unpaid balance of any judgment shall bear interest at the greater of (a) the statutory rate provided for judgments, or (b) the Default Rate. Without limiting the foregoing, Mortgagee may foreclose this Mortgage and exercise its rights as a secured party for all or any portion of the Liabilities which are then due and payable, subject to the continuing lien of this Mortgage for the balance not then due and payable. In case of any sale of the Property by judicial proceedings, the Property may be sold in one parcel or in such parcels, manner or order as Mortgagee in its sole discretion may elect. Mortgagor, for itself and anyone claiming by, through or under it, hereby agrees that Mortgagee shall in no manner, in law or in equity, be limited, except as herein provided, in the exercise of its rights in the Property or in any other security hereunder or otherwise appertaining to the Liabilities or any other obligation secured by this Mortgage, whether by any statute, rule or precedent which may otherwise require said security to be marshalled in any manner and Mortgagor, for itself and others as aforesaid, hereby expressly waives and releases any right to or benefit thereof. The failure to make any tenant a defendant to a foreclosure proceeding shall not be asserted by Mortgagor as a defense in any proceeding instituted by Mortgagee to collect the Liabilities or any deficiency remaining unpaid after the foreclosure sale of the Property.

8.4. Appointment of Receiver. Mortgagee may petition a court of competent jurisdiction to appoint a receiver of the Property. 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, without regard to the then value of the Property or whether the Property shall be then occupied as a homestead or not, and without regard to whether Mortgagor has committed waste or allowed deterioration of the Property, and Mortgagee or any agent of Mortgagee may be appointed as such receiver. Mortgagor hereby agrees that Mortgagee has a special interest in the Property and absent the appointment of such receiver the Property shall suffer waste and deterioration and Mortgagor further agrees that it shall not contest the appointment of a receiver and hereby so stipulates to such appointment pursuant to this paragraph. Such receiver shall have the power to perform all of the acts permitted Mortgagee pursuant to Section 8.2 above and such other powers which may be necessary or customary in such cases for the protection, possession, control, management and operation of the Property during such period.

8.5. Rights as a Secured Party. Mortgagee shall have, in addition to other rights and remedies available at law or in equity, the rights and remedies of a secured party under the Code. Mortgagee may elect to foreclose such of the Property as then comprise fixtures pursuant either to the law applicable to foreclosure of an interest in real estate or to that applicable to personal property under the Code. To the

extent permitted by law, Mortgagor waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect.

8.6. Excess Monies. Mortgagee may apply on account of the Liabilities any unexpended monies still retained by Mortgagee that were paid by Mortgagor to Mortgagee: (a) for the payment of, or as security for the payment of taxes, assessments or other governmental charges, insurance premiums, or any other charges; or (b) to secure the performance of some act by Mortgagor.

8.7. Other Remedies. Mortgagee shall have the right, from time to time, to bring an appropriate action to recover any sums required to be paid by Mortgagor under the terms of this Mortgage, as they become due, without regard to whether or not any other Liabilities shall be due, and without prejudice to the right of Mortgagee thereafter to bring an action of mortgage foreclosure, or any other action, for any default by Mortgagor existing at the time the earlier action was commenced. In addition, Mortgagee shall have the right to set-off all or any part of any amount due by Mortgagor to Mortgagee under any of the Liabilities, against any indebtedness, liabilities or obligations owing by Mortgagee in any capacity to Mortgagor, including any obligation to disburse to Mortgagor any funds or other property on deposit with or otherwise in the possession, control or custody of Mortgagee.

9. MISCELLANEOUS.

9.1. Notices. All notices and communications under this Mortgage shall be in writing and shall be given by either (a) hand-delivery, (b) first class mail (postage prepaid), or (c) reliable overnight commercial courier (charges prepaid), to the addresses listed in this Mortgage. Notice shall be deemed to have been given and received: (a) if by hand delivery, upon delivery; (b) if by mail, three (3) calendar days after the date first deposited in the United States mail; and (c) if by overnight courier, on the date scheduled for delivery. A party may change its address by giving written notice to the other party as specified herein.

9.2. Remedies Cumulative. The rights and remedies of Mortgagee as provided in this Mortgage or in any other Loan Document shall be cumulative and concurrent, may be pursued separately, successively or together, may be exercised as often as occasion therefor shall arise, and shall be in addition to any other rights or remedies conferred upon Mortgagee at law or in equity. The failure, at any one or more times, of Mortgagee to assert the right to declare the Liabilities due, grant any extension of time for payment of the Liabilities, take other or additional security for the payment thereof, release any security, change any of the terms of the Loan Documents, or waive or fail to exercise any right or remedy under any Loan Document shall not in any way affect this Mortgage or the rights of Mortgagee.

9.3. No Implied Waiver. Mortgagee shall not be deemed to have modified or waived any of its rights or remedies hereunder unless such modification or waiver is in writing and signed by Mortgagee, and then only to the extent specifically set forth therein. A waiver in one event shall not be construed as continuing or as a waiver of or bar to such right or remedy on a subsequent event.

9.4. Partial Invalidity. The invalidity or unenforceability of any one or more provisions of this Mortgage shall not render any other provision invalid or unenforceable. In lieu of any invalid or unenforceable provision, there shall be added automatically a valid and enforceable provision as similar in terms to such invalid or unenforceable provision as may be possible.

9.5. Binding Effect. The covenants, conditions, waivers, releases and agreements contained in this Mortgage shall bind, and the benefits thereof shall inure to, the parties hereto and their respective heirs, executors, administrators, successors and assigns and are intended and shall be held to be real covenants running with the land; provided, however, that this Mortgage cannot be assigned by Mortgagor

without the prior written consent of Mortgagee, and any such assignment or attempted assignment by Mortgagor shall be void and of no effect with respect to Mortgagee.

9.6. Modifications. This Mortgage 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.

9.7. Commercial Loan. Mortgagor represents and warrants that the loans or other financial accommodations included as Liabilities secured by this Mortgage were obtained solely for the purpose of carrying on or acquiring a business or commercial investment and not for residential, consumer or household purposes.

9.8. Governing Law. This Mortgage shall be governed by and construed in accordance with the substantive laws of the State of Florida without reference to conflict of laws principles.

9.9. Joint and Several Liability. If Mortgagor consists of more than one person or entity, the word "Mortgagor" shall mean each of them and their liability shall be joint and several.

9.10. Non-Merger. In the event Mortgagee shall acquire title to the Property by conveyance from Mortgagor or as a result of foreclosure, this Mortgage shall not merge in the fee estate of the Property but shall remain and continue as an existing and enforceable lien for the Liabilities secured hereby until the same shall be released of record by Mortgagee in writing.

9.11. Second Mortgage Rider. See Second Mortgage Rider attached hereto and made a part hereof.

Signed, sealed and delivered and in the presence of

Name: Jesus Carlos Baez

Name: Diana Hernandez

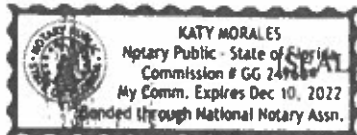
MORTGAGOR:

**1008 E PONCE LLC, a
Florida limited liability company**

By: Luis A. Arevalo, Manager

STATE OF FLORIDA)
) SS:
COUNTY OF MIAMI-DADE)

The foregoing instrument was acknowledged before me this 6 day of December by Luis Arevalo, the Manager of 1008 E Ponce LLC, a Florida limited liability company. He is either / personally known to me, or / produced _____ as identification.



Katy Morales
NOTARY PUBLIC, State of Florida
Print Name: Katy Morales
My Commission Expires: 12/10/22

Type of Identification Produced: _____ Driver's License _____ Other _____

**SECOND MORTGAGE RIDER TO
SECOND MORTGAGE AND SECURITY AGREEMENT**

This Second Mortgage Rider to Second Mortgage and Security Agreement ("Rider"), is made this 5th day of December, 2018 by and between 1008 E Ponce LLC, a Florida limited liability company ("Mortgagor") and Ocean Bank, a Florida banking corporation ("Mortgagee"), who further covenant and agree to the following special clauses, which clauses are incorporated by reference into that certain Second Mortgage and Security Agreement ("Mortgage") dated this same date between Mortgagor and Mortgagee:

- A. Subject to First Mortgage. That the Real Property encumbered by this instrument is subject to a first mortgage originally given to OCEAN BANK (the "First Mortgage"), in the original principal amount of \$1,476,830.00, recorded September 9, 2016, in Official Records Book 30225, at Page 1807, of the Public Records of Miami-Dade County, Florida (the "First Mortgage").
- B. No Defaults under First Mortgage. The Mortgagor covenants and agrees to comply strictly with all the terms, conditions, and provisions of above First Mortgage, and to punctually make each and every payment under said First Mortgage when due. Any default in any of the terms of the First Mortgage shall automatically constitute a default under this Mortgage. Upon such a default, Mortgagee may: accelerate this Mortgage; declare all the sums secured by this Mortgage to be immediately due and payable; and proceed with foreclosure and judicial sale of the Real Property without prejudice to any other remedy, legal or equitable, available to Mortgagee.
- C. Option to Pay First Mortgage. Mortgagee herein may, without it constituting an obligation to do so, make any payments past due under the First Mortgage, and add the amount so paid to the principal amount due under this Mortgage. Any amount so advanced by Mortgagee under this Section C shall become additional Indebtedness of Mortgagor, secured by this Mortgage. All such amounts advanced shall bear interest beginning on the date of the advance at the interest rate applicable to the principal of the Indebtedness secured by this Mortgage and shall be payable, with such interest, upon notice from Mortgagee to Mortgagor requesting payment.
- D. Option to Purchase First Mortgage. Mortgagee herein may buy the First Mortgage and the underlying obligations that they secure, at any price, including a discount if available, and add the full amounts of the pending balances outstanding under the First Mortgage at time of purchase, together with the interest accrued at that time, and any other sums that were due to said First Mortgage without reducing the amount owed under the First Mortgage by any discount obtained by Mortgagee in its purchase (Mortgagee is not required to give Mortgagor the benefit of any such discount).
- E. No Future Advances under First Mortgage. Mortgagor agrees and obligates itself, to accept no additional future advances under any future advance clause of the First Mortgage and to deliver notices to the mortgagee under the First Mortgage, of the existence of this obligation.
- F. Assignment of Rights. If the First Mortgage should foreclose the First Mortgage, any surplus proceeds over and above the amount needed to satisfy said First Mortgage are hereby assigned to Mortgagee and shall belong to Mortgagee.
- G. Notices under First Mortgage. Mortgagor will immediately forward to Mortgagee herein, all notices received by Mortgagor from the First Mortgagee. Mortgagor shall also immediately forward to Mortgagee all notices from any municipal, county, state, or federal government or agency, which may affect the Real Property in any way whatsoever.
- H. Continued Obligation under Indebtedness after Foreclosure. It is hereby understood and agreed that a foreclosure of the First Mortgage will not and does not extinguish the personal liability of Borrower to

Mortgagee of the Indebtedness.

1. Current Balance and Payments under First Mortgage. Mortgagor covenants and warrants that the principal balance due under the First Mortgage as of this date is the amount of \$1,449,328.88 and the regular payments are paid current through December 31, 2018.

IN WITNESS WHEREOF, the Mortgagor has, on the day and year first above written, executed these presents.

Signed, sealed and delivered and in the presence of:

MORTGAGOR:

1008 E PONCE LLC, a
Florida limited liability company

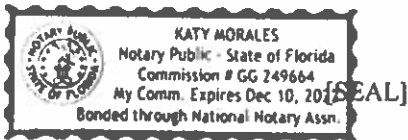
Name: Diana Hernandez

By: Luis A. Arevalo, Manager

Name: Isabel Carlos Baerovs

STATE OF FLORIDA)
) SS:
COUNTY OF MIAMI-DADE)

The foregoing instrument was acknowledged before me this 6 day of December by Luis Arevalo, the Manager of 1008 E Ponce LLC, a Florida limited liability company. He is either ✓ personally known to me, or 1 produced _____ as identification.



NOTARY PUBLIC, State of Florida

Print Name: Katy Morales

My Commission Expires: 12/10/22

Type of Identification Produced: _____ Driver's License _____ Other _____

Ocean Bank (FDIC # 24156)**Active Insured Since December 9, 1982****Data as of:** August 14, 2019**Ocean Bank** is an active bank

FDIC Certificate#: 24156 **Established:** December 9, 1982 **Corporate Website:**
Headquarters: 780 N.W. 42nd Avenue, Miami, FL 33126, Miami-Dade County **Insured:** December 9, 1982 www.oceanbank.com
Bank Charter Class: Non-member of the Federal Reserve System **Consumer Assistance:** ask.fdic.gov/FDICCcustomerAssistanceForm
Locations: 23 domestic in 1 states, 0 in territories, and 0 in foreign locations **Primary Federal Regulator:** Federal Deposit Insurance Corporation **Contact the FDIC about:** Ocean Bank
Secondary Federal Regulator: N/A

Locations

History

Identifications

Financials

Other Names / Websites

Showing 1 to 23 of 23 entries

UNINUM	Number	Name	Address	County	City	State	Zip	Service Type	Established Date	Acquired Date
607784	27	Aventura Branch	20900 Ne 30th Ave Suite 103	Miami-Dade	Aventura	FL	33180	Full Service Brick and Mortar Office	12/17/2018	
256990	8	Coral Gables Branch	2655 Le Jeune Road	Miami-Dade	Coral Gables	FL	33134	Full Service Brick and Mortar Office	12/09/1993	
611946	28	South Miami	6939 Red Rd.	Miami-Dade	Coral Gables	FL	33143	Full Service Brick and Mortar Office	03/03/2019	
514896	23	Doral Branch	2500 N.W. 97th Avenue, Suite 100	Miami-Dade	Doral	FL	33172	Full Service Brick and Mortar Office	10/22/2010	
256995	13	Downtown Fort Lauderdale Branch	200 Northeast 3rd Avenue	Broward	Fort Lauderdale	FL	33301	Full Service Brick and Mortar Office	07/27/1998	
256985	2	Palm Spring Branch	790 West 49th Street	Miami-Dade	Hialeah	FL	33012	Full Service Brick and Mortar Office	11/18/1985	
17491	4	Hialeah Branch	1801 West Fourth Avenue	Miami-Dade	Hialeah	FL	33010	Full Service Brick and Mortar Office	07/19/1984	02/12/1988
256997	15	Taft Street Branch	6775 Taft Street	Broward	Hollywood	FL	33024	Full Service Brick and Mortar Office	02/02/1999	
16824		Ocean Bank	780 N.W. 42nd Avenue	Miami-Dade	Miami	FL	33126	Full Service Brick and Mortar Office	12/09/1982	
256984	1	Bird Road Branch	7951 S.W. 40th Street	Miami-Dade	Miami	FL	33140	Full Service Brick and Mortar Office	08/19/1985	
256986	3	West Flagler Branch	8700 West Flagler Street	Miami-Dade	Miami	FL	33144	Full Service Brick and Mortar Office	12/08/1986	
256987	5	Brickell Branch	1000 Brickell Avenue	Miami-Dade	Miami	FL	33126	Full Service Brick and Mortar Office	08/17/1987	
256988	6	Coral Way Branch	12005 26th Street, S.W.	Miami-Dade	Miami	FL	33175	Full Service Brick and Mortar Office	10/07/1987	
256991	9	Airport West Branch	7650 N.W. 25th Street	Miami-Dade	Miami	FL	33122	Full Service Brick and Mortar Office	02/06/1995	
256994	12	Downtown Miami Branch	165 Southeast 1st Street	Miami-Dade	Miami	FL	33131	Full Service Brick and Mortar Office	10/27/1997	
359708	20	Miller Branch	14651 Sw 56th Street	Miami-Dade	Miami	FL	33175	Full Service Brick and Mortar Office	03/30/2001	
419488	22	Kendall Drive Branch	10950 North Kendall Drive	Miami-Dade	Miami	FL	33176	Full Service Brick and Mortar Office	06/23/2003	
605439	26	West Kendall Branch	15680 S. W. 88th Street	Miami-Dade	Miami	FL	33196	Full Service Brick and Mortar Office	10/15/2018	
256993	11	Miami Beach Branch	501 41st Street	Miami-Dade	Miami Beach	FL	33140	Full Service Brick and Mortar Office	04/21/1997	
				Miami-				Full Service Brick		

256992	10	Miami Lakes Branch	7455 Miami Lakes Drive	Dade	Miami Lakes	FL	33014	and Mortar Office	06/23/1997
583266	24	Pinecrest Branch	13593 South Dixie Highway	Miami-Dade	Pinecrest	FL	33156	Full Service Brick and Mortar Office	10/03/2016
256989	7	Eighth Street Branch	6600 S.W. 8th Street	Miami-Dade	West Miami	FL	33144	Full Service Brick and Mortar Office	12/09/1992
365331	21	Weston Branch	2300 Weston Road	Broward	Weston	FL	33326	Full Service Brick and Mortar Office	05/02/2002