RECORD AND RETURN TO:  
Amanda Spain

Baker Donelson

450 Laurel Street, 21st Floor

Baton Rouge, Louisiana 70801

ACT OF MORTGAGE

«BORROWERNAME2»

a «BorrowerEntity\_Type»,

as Mortgagor,  
  
TO

LOUISIANA HOUSING CORPORATION

a body corporate and politic and an instrumentality of the   
State of Louisiana, as agent for the State of Louisiana,   
Division of Administration, Office of Community Development

as Lender  
  
DATED: AS OF [DATE]

PARISH OF

STATE OF LOUISIANA

**STATE OF LOUISIANA**

**PARISH OF [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]**

**ACT OF MORTGAGE**

BE IT KNOWN, that on the date set forth below, but effective as of [DATE],

BEFORE ME, the undersigned Notary Public, and in the presence of the undersigned competent witnesses,

PERSONALLY CAME AND APPEARED:

**«BORROWERNAME2»**, a , having a mailing address of , represented herein by [AUTHORIZED AGENT], as [TITLE], duly authorized by [AUTHORITY DOCUMENT], a certified copy of which is annexed hereto, (the “Borrower”)

who, being duly sworn, did declare that it executes this ACT OF MORTGAGE, (this “Instrument”) in favor of **LOUISIANA HOUSING CORPORATION**, a body corporate and politic and an instrumentality of the State of Louisiana, as agent for the State of Louisiana, Division of Administration, Office of Community Development (the “Lender”) which is the holder of that certain Gap Financing Note, dated [DATE], by and among Mortgagor and Lender, (as more fully defined below, the “Note”). Capitalized terms used herein that are not otherwise defined herein shall have the meanings set forth in the Loan Agreement (as such term is defined in the Note).

In order to secure the Secured Debt (as hereinafter defined) up to the Maximum Amount, Mortgagor does hereby mortgage, pledge, hypothecate, collaterally assign and grant a security interest unto Lender, and its successors and assigns, affecting Mortgagor’s interest covering all of the following described land and interests in land, immovable property, servitudes, rights, improvements, movable property, fixtures, component parts, equipment, furniture, furnishings, appliances, general intangibles, and appurtenances, and certain movable property located thereon, whether now or hereafter existing or acquired (collectively, the “Property”):

* 1. All those tracts or parcels of immovable property and servitudes more particularly described on Exhibit “A” attached hereto and by this reference made a part hereof (the “Land”).
  2. All present and future buildings, structures, other constructions, component parts, parking areas, annexations and improvements of every nature whatsoever now or hereafter situated on the Land (hereinafter referred to as the “Improvements”) and all materials intended for construction, reconstruction, alteration and repairs of the Improvements now or hereafter erected, all of which materials shall be deemed to be included within the Improvements immediately upon the delivery thereof to the Land, and all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators and motors, water tanks, water supply, water power sites, fuel stations, fuel supply, generators, uninterrupted power supplies, plumbing and heating fixtures, incinerating, sprinkling, and waste removal systems, carpeting and other floor coverings, fire extinguishers and any other safety equipment required by governmental regulation or law, washers, dryers, water heaters, mirrors, mantels, air conditioning and cooling apparatus and equipment systems, refrigerating plants, refrigerators, cooking apparatus and appurtenances, storm windows and doors, window and door screens, awnings and storm sashes, which are or shall be owned by Mortgagor and attached to said Improvements and all other furnishings, furniture, glassware, tableware, uniforms, linen, drapes and curtains and related hardware and mounting devices, wall to wall carpeting, radios, lamps, telephone systems, televisions and television systems, computer systems, vehicles, fixtures, component parts, machinery, equipment, apparatus, appliances, books and records, chattels, inventory, accounts, farm products, consumer goods, general intangibles and movable property of every kind and nature whatsoever now or hereafter owned by Mortgagor and located in, on or about, or used or intended to be used with or in connection with the use, operation or enjoyment of the Property, including all extensions, additions, improvements, betterments, after-acquired property, renewals, replacements and substitutions, or proceeds from a permitted sale of any of the foregoing, together with the benefit of any deposits or payments now or hereafter made by Mortgagor or on behalf of Mortgagor, all of which are hereby declared and shall be deemed to be fixtures, component parts, and accessions to the Land and a part of the Property as between the parties hereto and all persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the indebtedness herein described and to be secured by this Instrument.
  3. All movable property now or hereafter situated on the Property, whether now owned or hereafter acquired by Mortgagor.
  4. All servitudes, access rights, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, irrigation systems (including, without limitation, underground wiring, pipes, pumps and sprinkler heads), minerals, flowers, plants, shrubs, crops, trees, timber, fences, signs, bridges, fountains, monuments and other emblements now or hereafter located on the Land or under or above the same or any part or parcel thereof, and all estates, rights, titles, interests, privileges, liberties, servitudes, licenses, tenements, hereditaments and appurtenances, reversion and reversions, remainder and remainders, whatsoever, in any way belonging, relating or appertaining to the Land or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Mortgagor.
  5. All leases and all subleases, tenancies, shared space agreements, master space agreements, occupancies and licenses, whether oral or written (collectively, the “Leases”), and all income, rents, issues, profits, room rentals, transient or guest payments, fees, charges or other payments for the use or occupancy of rooms or other facilities, and revenues of the Property from time to time accruing (including, without limitation, all payments under Leases), all guarantees of the foregoing or letters of credit relating to the foregoing, lease or other termination payments, proceeds of insurance, condemnation payments, tenant security, damage or other deposits whether held by Mortgagor or in a trust account, escrow funds, fees, charges, rents, license fees, concession fees, contractual services, revenues fees from the provision of recurring services, overage fees, media fees, consulting fees, accounts, royalties, security, damage or other deposits from time to time accruing, all payments under working interests, production payments, royalties, overriding royalties, operating interests, participating interest and other such entitlements, and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Mortgagor of, in and to the same (collectively, the “Revenues”); reserving only the right to Mortgagor to collect the same (other than insurance proceeds and condemnation payments) so long as no Event of Default (as defined below) has occurred and is continuing. The pledge and assignment of leases and rents herein is granted pursuant to Chapter 2 of Title XX-A of Book II of the Louisiana Civil Code, Louisiana Revised Statutes 9:4401 and any successor or replacement statute, and is subject to the provisions and limitations set forth therein.
  6. All insurance policies, building service, building maintenance, construction, development, management, indemnity, and other similar agreements and contracts and subcontracts, written or oral, express or implied, now or hereafter entered into, arising or in any manner related to the purchase, construction, design, improvement, use, operation, ownership, occupation, enjoyment, sale, conversion or other disposition (voluntary or involuntary) of the Property, or the buildings and improvements now or hereafter located thereon, or any other interest in the Property, or any combination thereof, franchise agreements, property management agreements, cable television agreements, contracts for the purchase of supplies, telephone service agreements, yellow pages or other advertising agreements, sales contracts, construction contracts, architects agreements, general contract agreements, design agreements, engineering agreements, technical service agreements, sewer and water and other utility agreements, service contracts, agreements relating to the collection of receivables or use of customer lists, all bookings and reservations for space or facilities within the Property, all purchase options, option agreements, rights of first refusal, contract deposits, earnest money deposits, prepaid items and payments due and to become due thereunder, and further including all payment and performance bonds, labor, deposits, assurances, construction guaranties, guaranties, warranties, indemnities and other undertakings, architectural plans and specifications, drawings, surveys, soil reports, engineering reports, inspection reports, environmental audits and other technical descriptions and reports relating to the Property, renderings and models, permits, consents, approvals, licenses, variances, agreements, contracts, building permits, purchase orders and equipment leases, movable property leases, and all causes of action relating thereto. Mortgagor collaterally assigns and pledges to Lender the right to receive all proceeds of any insurance policies insuring against loss or damage to the Property in accordance with the provisions of Louisiana Revised Statutes 9:5386.
  7. All deposit accounts, instruments, accounts receivable, documents, causes of action, claims, names by which the Property or the improvements thereon may be operated or known, all rights to carry on business under such names, all telephone numbers or listings, all rights, interest and privileges of which Mortgagor may have in any capacity under any covenants, restrictions or declarations now or hereafter relating to the Property or the Improvements, and all notes or chattel paper now or hereafter arising from or by virtue of any transactions relating to the Property or the Improvements located thereon and all customer lists, other lists, and business information relating in any way to the Property or the Improvements or the use thereof, whether now owned or hereafter acquired.
  8. All assets of the Mortgagor, including, without limitation, accounts (including, without limitation, health-care-insurance receivables, if any), chattel paper (whether tangible or electronic), deposit accounts, documents, general intangibles (including, without limitation, payment intangibles, and all current and after acquired copyrights, copyright rights, advertising materials, web sites, and web pages, software and software licenses, trademarks and service marks, trademark rights, trademark applications, service mark rights, service mark applications, trade dress rights, company names, logos, and all domain names, owned or used in connection with the Mortgagor’s business, and in each case all goodwill associated therewith), goods (including, without limitation, inventory, property, possession, equipment, fixtures, component parts, and accessions), instruments (including, without limitation, promissory notes), investment property, letter-of-credit rights, letters of credit, money, supporting obligations, as-extracted collateral, timber to be cut and all proceeds and products of anything described or referred to above in this Subsection (h), in each case as such terms are defined under the Louisiana Uniform Commercial Code (La. R.S. 10:9-101 et seq.).
  9. All cash funds, deposit accounts and other rights and evidence of rights to cash, now or hereafter created or held by Lender pursuant to this Instrument, or the Note.
  10. All proceeds, products, substitutions and accessions of the foregoing of every type.

The Property is to remain so specially mortgaged, affected and hypothecated unto and in favor of Lender and the successors and assigns of Lender for the benefit of any and all future holder or holders of Secured Debt until the full and final payment of all Secured Debt, and until Lender has no further obligation to loan or advance funds to or for the benefit of Mortgagor, and Mortgagor is herein and hereby bound and obligated not to sell, alienate, mortgage or encumber the Property, or any part thereof, to the prejudice of this Instrument, and not to permit or suffer the same to be so sold, alienated, deteriorated or encumbered. Mortgagor covenants that Mortgagor is the owner of the Property in full ownership, and has good right to mortgage, pledge, hypothecate, collaterally assign, and grant a security interest in the same, that the same is unencumbered except for those matters expressly set forth in Exhibit “B” attached hereto and by this reference made a part hereof (the “Permitted Encumbrances”), and that Mortgagor does warrant and will forever defend the title thereto against the claims of all persons whomsoever, except as to those matters set forth in said Exhibit “B” attached hereto.

The mortgage, pledge, hypothecation, collateral assignment, and security interest granted by this Instrument is given to secure the following described obligations (collectively, the “Secured Debt”):

* 1. The debt evidenced by the Note made by the Mortgagorin favor of Lender, in the aggregate principal face amount of ($) to the order of Lender;
  2. Any and all additional advances made by Lender or any Lender to protect or preserve the Property or the lien and security title hereof in and to the Property, or for taxes, assessments or insurance premiums as hereinafter provided (whether or not Mortgagor is the owner of the Property at the time of such advances);
  3. All reasonable out of pocket costs and expenses incurred by the Lender in connection with the enforcement and collection of the Secured Debt, including, without limitation, all reasonable out of pocket attorneys’ fees and disbursements, and all other such costs and expenses described in and incurred pursuant to the Note and this Instrument (collectively, the “Enforcement Costs”).

The maximum amount of Secured Debt that may be outstanding at any time and from time to time that this Instrument, including without limitation as a mortgage, as a collateral assignment and as a security agreement, secures shall be $50,000,000.00 (the “Maximum Amount”).

Subject to Section 2.20 hereof, should the Secured Debt secured by this Instrument be paid and performed according to the terms and effect thereof when the same shall become due and payable, and should Mortgagor perform all covenants contained herein in a timely manner, then Mortgagor shall be entitled to require a release of this Instrument.

Mortgagor hereby further covenants and agrees with Lender as follows:

* 1. Payment of Secured Debt. Mortgagor will pay and perform or cause to be paid and performed the Secured Debt according to the tenor thereof and all other sums now or hereafter secured hereby as the same shall become due.
  2. Reserved.
  3. Impositions, Liens and Charges. Mortgagor shall pay (a) the yearly real estate taxes, ad valorem taxes, movable property taxes, assessments and betterments, and (b) the yearly premium installments for the insurance covering the Property (hereinafter collectively referred to as the “Impositions”) and other charges, if any, attributable to the Property prior to delinquency, and at Lender’s option during the continuance of an Event of Default, Mortgagor shall pay in the manner hereafter provided under this Section 1.03. Mortgagor shall, during continuance of an Event of Default, furnish to Lender all bills and notices of amounts due under Section 1.03 promptly after receipt thereof, and in the event Mortgagor shall make payment directly, Mortgagor shall, as and when available, furnish to Lender receipts evidencing such payments prior to the dates on which such payments are delinquent, subject to Mortgagor’s right to contest taxes, assessments and other governmental charges. Mortgagor shall promptly discharge (by bonding, payment or otherwise) any lien filed against the Property or Mortgagor (including federal tax liens) and will keep and maintain the Property free from the claims of all persons supplying labor or materials to the Property, subject to Mortgagor’s right to contest the same. Mortgagor shall not claim or be entitled to any credit against the taxable value of the Property by reason of this Instrument, or any deduction in or credit on the Secured Debt by reason of Impositions paid.
  4. Taxes, Liens and Other Charges.
     1. In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of debts secured by mortgages or other security instruments or the manner of collecting taxes so as to adversely affect Lender, Mortgagor will promptly pay any such tax prior to delinquency. If Mortgagor fails to make such payment timely, or if, in the opinion of Lender, any such state, federal, municipal, or other governmental law, order, rule or regulation prohibits Mortgagor from making such payment or would penalize Lender if Mortgagor makes such payment or if, in the reasonable opinion of Lender, the making of such payment could reasonably result in the imposition of interest beyond the maximum amount permitted by applicable law, then the entire balance of the principal sums secured by this Instrument and all interest accrued thereon shall, at the option of Lender, become immediately due and payable.

(b) Mortgagor will pay all taxes, liens, assessments and charges of every character including all utility charges, whether public or private, already levied or assessed or that may hereafter be levied or assessed upon or against the Property.

* 1. Insurance.

Mortgagor shall procure and maintain property, casualty and flood insurance policies on the Property. Mortgagor shall pay all premiums on such insurance policies. All proceeds of any property or casualty insurance or awards of damages on account of any taking or condemnation for public use of or injury to the Property are hereby assigned and shall be paid to Lender, subject to Mortgagor’s right to receive and adjust claims. Any such proceeds shall be released and advanced to Mortgagor and shall be applied to the cost of repairing or restoring the Property or the remaining portion of the Property, with any balance remaining to be applied to the Secured Debt. In the event of a foreclosure sale of all or any part of the Property pursuant to the enforcement of this Instrument, the purchaser of such Property shall succeed to all rights or Mortgagor, including any rights to the proceeds of insurance and to unearned premiums, in and to all of the policies of insurance. In the event of a foreclosure sale, Lender is hereby authorized, without the further consent of Mortgagor, to take such steps as Lender may deem advisable to cause the interest of such purchaser to be protected by any of such policies.

* 1. Condemnation. If all or any portion of the Property shall be damaged or taken through condemnation (which term when used in this Instrument shall include any damage or taking by any governmental authority or any transfer by private sale in lieu thereof), either temporarily or permanently, then all compensation, awards and other payments or relief thereof, shall be paid and applied to the Secured Debt, with any remaining award being released to Mortgagor.
  2. Care, Use and Management of Property.
     1. Mortgagor will keep, or cause to be kept, the roads and walkways, landscaping and all other Improvements of any kind now or hereafter erected on the Land or any part thereof in good condition and repair, will not commit or suffer any waste, impairment or deterioration (ordinary wear and tear excepted) and will not do or suffer to be done anything which will increase the risk of fire or other hazard to the Property or any part thereof.
     2. Mortgagor will not remove or demolish nor alter the structural character of any building located on the Land or any fixtures, component parts, or movable property relating thereto except when incidental to the replacement of fixtures, component parts, and movable property with items of like kind and value, customary tenant improvements pursuant to Leases or other repairs, replacements, improvements and alterations.
     3. If the Property or any part thereof is materially damaged by fire or any other cause, Mortgagor will give prompt written notice thereof to Lender.
     4. Mortgagor will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority, all restrictive covenants and other agreements affecting the Property or relating to the operation thereof affecting the Property or any part thereof and all licenses or permits affecting the Property or any part thereof, subject to Mortgagor’s right to contest the same.
     5. Mortgagor shall keep the Property, including the Improvements and the Movable Property (as hereinafter defined), in such good order, repair and tenantable condition and shall replace fixtures, component parts, equipment, machinery and appliances on the Property (but excluding property owned by tenants) when necessary to keep such items in good order, repair, and tenantable condition (ordinary wear and tear excepted).
     6. Mortgagor shall keep all franchises, trademarks, trade names, service marks and licenses and permits necessary for the Mortgagor’s use and occupancy of the Property in good standing and in full force and effect.
     7. Unless required by applicable law, unless Lender has otherwise agreed in writing, which consent shall not be unreasonably withheld, Mortgagor shall not allow changes in the nature of the occupancy or use for which the Property was intended at the time this Instrument was executed. Mortgagor shall not abandon the Property. Mortgagor shall not initiate, fail to contest or acquiesce in a change in the zoning classification of the Property or subject the Property to restrictive or negative covenants without Lender’s written consent, which consent shall not be unreasonably withheld. Mortgagor shall comply with, observe and perform all zoning and other laws affecting the Property, all agreements and restrictive covenants affecting the Property, and all licenses and permits affecting the Property, subject to Mortgagor’s right to contest compliance with laws.
     8. Lender may, at Mortgagor’s expense, make or cause to be made reasonable entries upon and inspections of the Property, or at any other time when necessary or appropriate, in the sole reasonable discretion of Lender, to protect or preserve the Property; provided that Lender will not disturb tenants of the Property during any such entries.
     9. If all or any part of the Property shall be damaged by fire or other casualty or loss, then Mortgagor will promptly restore the Property; and if a part of the Property shall be damaged through condemnation, Mortgagor will promptly restore, repair or alter the remaining portions of the Property. Notwithstanding the foregoing, Mortgagor shall not be obligated to so restore unless, in each instance, Lender agrees to make available to Mortgagor any net insurance or condemnation proceeds actually received by Lender hereunder in connection with such casualty loss or condemnation, to the extent such proceeds are required to defray the expense of such restoration; provided, however, that the insufficiency of any such insurance or condemnation proceeds to defray the entire expense of restoration shall in no way relieve Mortgagor of its obligation to restore.
     10. Mortgagor shall pay all normal and customary operating expenses for the Property as the same become due.
  3. Leases and other Agreements Affecting Property.
     1. As additional security for the Secured Debt up to the Maximum Amount, pursuant to Chapter 2 of Title XX-A of Book II of the Louisiana Civil Code and La. R.S. 9:4401, Mortgagor presently and unconditionally pledges, assigns and transfers to Lender all of Mortgagor’s right, title and interest in and to the Leases and the Revenues, including those now due, past due or to become due by virtue of any of the Leases for the occupancy or use of all or any part of the Property. Mortgagor further collaterally assigns and pledges to Lender all of Mortgagor’s right, title and interest in and to the Leases and the Revenues, including those now due, past due or to become due by virtue of any of the Leases for the occupancy or use of all or any part of the Property pursuant to the provisions of Louisiana Revised Statutes 9:4401. Mortgagor hereby authorizes Lender or Lender’s agents to collect the Revenues and hereby directs such tenants, lessees and licensees of the Property to pay the Revenues to Lender or Lender’s agents; provided, however, Mortgagor shall have a license (revocable upon the occurrence and during the continuance of an Event of Default) to collect, receive, and use the Revenues (in accordance with the terms of the Leases) as trustee for the benefit of Lender, and apply the Revenues so collected to the Secured Debt, to the extent then due and payable, then to the payment of normal and customary operating expenses, real estate taxes and insurance for the Property which are then due and payable, with the balance, so long as no Event of Default has occurred and is continuing, to the account of Mortgagor. Mortgagor agrees that each and every tenant, lessee and licensee of the Property may pay, and hereby irrevocably authorizes and directs each and every tenant, lessee and licensee of the Property to pay, the Revenues to Lender or Lender’s agents on Lender’s written demand therefor (which demand may be made by Lender at any time after the occurrence and during the continuance of an Event of Default) without any obligation on the part of said tenant, lessee or licensee to inquire as to the existence of an Event of Default and notwithstanding any notice or claim of Mortgagor to the contrary, and Mortgagor agrees that Mortgagor shall have no right or claim against said tenant, lessee or licensee for or by reason of any Revenues paid to Lender following receipt of such written demand.
     2. Mortgagor hereby covenants that Mortgagor has not executed any prior assignment of the Leases or the Revenues, that Mortgagor has not performed, and will not perform, any acts and has not executed, and will not execute, any instruments which would prevent Lender from exercising the rights of the beneficiary of this Instrument, and that at the time of execution of this Instrument, there has been no anticipation or prepayment of any of the Revenues for more than one (1) month prior to the due dates of such Revenues. Mortgagor further covenants that Mortgagor will not hereafter collect or accept payment of any Revenues more than one (1) month prior to the due dates of such Revenues.
     3. Mortgagor agrees that neither the foregoing pledge and assignment of Leases and Revenues nor the exercise of any of Lender’s rights and remedies under this Section or Article 2 hereof shall be deemed to make Lender a lender-in-possession or otherwise responsible or liable in any manner with respect to the Leases, the Property or the use, occupancy, enjoyment or operation of all or any portion thereof, unless and until Lender, in person or by agent, assumes actual possession thereof or acquires title to the Property through foreclosure or dation en paiement. Mortgagor further agrees that the appointment of any keeper for the Property by any court at the request of Lender or by agreement with Mortgagor, or the entering into possession of any part of the Property by such keeper, shall not be deemed to make Lender a lender-in-possession or otherwise responsible or liable in any manner with respect to the Leases, the Property or the use, occupancy, enjoyment or operation of all or any portion thereof.
     4. If an Event of Default has occurred and is continuing and Lender exercises its rights and remedies pursuant to this Section or Article 2 hereof, all Revenues thereafter collected shall be applied in such order as Lender may elect in its discretion to the reasonable costs of taking control of and managing the Property and collecting the Revenues, including, but not limited to, reasonable attorneys’ fees actually incurred, fees, keeper fees, premiums on keeper’s bonds, costs of repairs to the Property, premiums on insurance policies, Impositions and other charges on the Property, and the costs of discharging any obligation or liability of Mortgagor as landlord, lessor or licensor of the Property, or to the Secured Debt. Lender or any keeper shall have access to the books and records used in the operation and maintenance of the Property and shall be liable to account only for those Revenues actually received. Lender shall not be liable to Mortgagor, anyone claiming under or through Mortgagor or anyone having an interest in the Property by reason of anything done or left undone by Lender pursuant to this Section or Article 2 hereof, except in the event of Lender’s gross negligence or willful misconduct. If the Revenues are not sufficient to meet the costs of taking control of and managing the Property and collecting the Revenues, any monies reasonably expended by Lender for such purposes shall become a portion of the Secured Debt. Unless Lender and Mortgagor agree in writing to other terms of payment, such amounts shall be payable upon notice from Lender to Mortgagor requesting payment thereof and shall bear interest from the date of disbursement at the rate for default interest stated in the Note (the “Default Rate”) unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Mortgagor under applicable law. The entering upon and taking possession of and maintaining of control of the Property by Lender or any keeper and the application of Revenues as provided herein shall not cure or waive any Event of Default or invalidate any other right or remedy of Lender hereunder.
     5. It is the intention of Lender and Mortgagor that the assignment effectuated by this Instrument with respect to the Revenues shall be a direct and currently effective assignment subject to Mortgagor's right to collect Revenues prior to an Event of Default as set forth herein and shall not constitute merely an obligation to grant a lien, security interest or pledge for the purpose of securing the Secured Debt.
     6. In the event that a court of competent jurisdiction determines that, notwithstanding such expressed intent of the parties, Lender’s interest in the Revenues constitutes a lien on or security interest in or pledge of the Revenues, it is agreed and understood that the forwarding of a notice to Mortgagor after the occurrence of an Event of Default advising Mortgagor of the revocation of Mortgagor’s license to collect such Revenues, shall be sufficient action by Lender to (i) perfect such lien on or security interest in or pledge of the Revenues, (ii) take possession thereof and (iii) entitle Lender to immediate and direct payment of the Revenues, for application as provided in this Instrument, all without the necessity of any further action by Lender, including, without limitation, any action to obtain possession of the Land, Improvements or any other portion of the Property.
  4. Leases of the Property.
     1. Other than residential leases executed for one year terms (“**Permitted Leases**”), Mortgagor shall not enter into any Lease of all or any portion of the Property or amend, supplement or otherwise modify, or terminate or cancel, or accept the surrender of, or consent to the assignment or subletting of, or grant any concessions to or waive the performance of any obligations of any tenant, lessee or licensee under, any now existing or future Lease of the Property, without the prior written consent of Lender, which consent shall not be unreasonably withheld. Mortgagor, at Lender’s request, shall furnish Lender with executed copies of all Leases hereafter made of all or any part of the Property. Upon Lender’s request, Mortgagor shall make a separate and distinct assignment to Lender, as additional security, of all Leases hereafter made of all or any part of the Property.
     2. There shall be no merger of the leasehold estates created by the Leases with the fee estate of the Property without the prior written consent of Lender. Lender may at any time and from time to time by specific written instrument intended for the purpose, unilaterally subordinate the lien of this Instrument to any Lease, without joinder or consent of, or notice to, Mortgagor, any tenant or any other Person, and notice is hereby given to each tenant under a Lease of such right to subordinate. No such subordination shall constitute a subordination to any lien or other encumbrance, whenever arising, or improve the right of any junior lienholder. Nothing herein shall be construed as subordinating this Instrument to any Lease.
     3. Mortgagor hereby appoints Lender its attorney-in-fact, coupled with an interest, empowering Lender to subordinate this Instrument to any Leases.
  5. Security Agreement.
     1. Insofar as the machinery, apparatus, equipment, fittings, fixtures, component parts, building supplies and materials, general intangibles and articles of movable property either referred to or described in this Instrument, or in any way connected with the use and enjoyment of the Property is concerned, but specifically excluding property owned by tenants, Mortgagor grants unto Lender a security interest therein and this Instrument is hereby made and declared to be a security agreement, encumbering each and every item of movable property (the “Movable Property”) included herein in compliance with the provisions of the Louisiana Uniform Commercial Code (La. R.S. 10:9-101 et seq.) (the “UCC”). A financing statement or statements reciting this Instrument to be a security agreement, affecting all of said movable property aforementioned, shall be appropriately filed. The remedies for any violation of the covenants, terms and conditions of the security agreement herein contained shall be (i) as prescribed herein with respect to the Property, or (ii) as prescribed by general law, or (iii) as prescribed by the specific statutory consequences now or hereafter enacted and specified in said UCC, all at Lender’s sole election. Mortgagor and Lender agree that the filing of such financing statement(s) in the records normally having to do with movable property shall never be construed as in any way derogating from or impairing this declaration and hereby stated intention of Mortgagor and Lender that everything used in connection with the production of income from the Property and/or adapted for use therein and/or which is described or reflected in this Instrument is to the full extent provided by law, and at all times and for all purposes and in all proceedings both legal or equitable shall be, regarded as part of the immovable property irrespective of whether (i) any such item is physically attached to the Improvements, (ii) serial numbers are used for the better identification of certain items capable of being thus identified in a recital contained herein, or (iii) any such item is referred to or reflected in any such financing statement(s) so filed at any time. Similarly, the mention in any such financing statement(s) of the rights in and to (1) the proceeds of any fire and/or hazard insurance policy, or (2) any award in eminent domain proceedings for a taking or for loss of value, or (3) Mortgagor’s interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the Property, whether pursuant to lease or otherwise, shall never be construed as in any way altering any of the rights of Lender as determined by this Instrument or impugning the priority of Lender’s lien granted hereby or by any other recorded document, but such mention in such financing statement(s) is declared to be for the protection of Lender in the event any court shall at any time hold with respect to the foregoing (1), (2) or (3), that notice of Lender’s priority of interest to be effective against a particular class of persons, must be filed in the UCC records.
     2. Mortgagor warrants that, (i) Mortgagor’s (that is, “Debtor’s”) correct legal name (including, without limitation, punctuation and spacing) indicated on the public record of Mortgagor’s jurisdiction of organization, identity or corporate structure, residence or chief executive office and jurisdiction of organization are as set forth on Page 1hereof; and (ii) the location of the Movable Property secured by this Instrument is upon the Land. Mortgagor covenants and agrees that Mortgagor shall not change any of the matters addressed by clauses (i) or (ii) of this Subsection 1.10(b)unless it has given Lender thirty (30) days prior written notice of any such change and has executed or authorized at the request of Lender, such additional financing statements or other instruments to be filed in such jurisdictions as Lender may deem necessary or advisable in its sole discretion to prevent any filed financing statement from becoming misleading or losing its perfected status.
     3. The Mortgagor hereby covenants and agrees that:

Mortgagor shall not merge or consolidate into, or transfer any of the Property to, any other person or entity.

Mortgagor shall, at any time and from time to time, take such steps as Lender may reasonably request for Lender (A) to obtain an acknowledgment, in form and substance reasonably satisfactory to Lender, of any bailee having possession of any of the Property, stating that the bailee holds possession of such Property on behalf of Lender, (B) to obtain “control” of any investment property, deposit accounts, letter-of-credit rights, or electronic chattel paper (as such terms are defined by the UCC with corresponding provisions thereof defining what constitutes “control” for such items of collateral), with any agreements establishing control to be in form and substance reasonably satisfactory to Lender, and (C) otherwise to insure the continued perfection and priority of the Lender’s security interest in any of the Property and of the preservation of its rights therein. If Mortgagor shall at any time, acquire a “commercial tort claim” (as such term is defined in the UCC) with respect to the Property or any portion thereof, Mortgagor shall promptly notify Lender thereof in writing, providing a reasonable description and summary thereof, and shall execute a supplement to this Instrument in form and substance acceptable to Lender granting a security interest in such commercial tort claim to Lender.

Mortgagor hereby authorizes Lender, its counsel or its representative, at any time and from time to time, to file financing statements, amendments and continuations that describe or relate to the Property or any portion thereof in such jurisdictions as Lender may deem necessary or desirable in order to perfect the security interests granted by Mortgagor under this Instrument or any other Loan Document, and such financing statements may contain, among other items as Lender may deem advisable to include therein, the federal tax identification number of Mortgagor.

Mortgagor shall not license, lease, sell or otherwise transfer any of the general intangibles to any third party during the term of this Instrument without the prior written consent of the Lender (which consent may be withheld in the Lender’s sole discretion); and the Mortgagor will continue to use all trademarks, service marks and trade names in a consistent manner and shall take all steps necessary to properly maintain any formal registrations, if any, on the general intangibles, and to defend and enforce them, for the term of this Instrument.

* 1. Further Assurances; After-Acquired Property. At any time and from time to time, upon request by Lender, Mortgagor will make, execute and deliver or cause to be made, executed and delivered, to Lender and, where appropriate, cause to be recorded and/or filed and from time to time thereafter to be rerecorded and/or refiled at such time and in such offices and places as shall be deemed desirable by Lender, any and all such other and further deeds of trust, security agreements, financing statements, notice filings, continuation statements, instruments of further assurance, certificates and other documents as may, in the opinion of Lender, be necessary or desirable in order to effectuate, complete, or perfect, or to continue and preserve (a) the obligation of Mortgagor under this Instrument and the Note, and (b) this Instrument as a first and prior lien upon and security interest in and to all of the Property, whether now owned or hereafter acquired by Mortgagor. Upon any failure by Mortgagor so to do, Lender may make, execute, record, file, re-record and/or refile any and all such deeds of trust, security agreements, financing statements, continuation statements, instruments, certificates, and documents for and in the name of Mortgagor and Mortgagor hereby irrevocably appoints Lender the agent and attorney-in-fact of Mortgagor so to do. The lien hereof will automatically attach, without further act, to all after acquired property attached to and/or used in the operation of the Property or any part thereof.
  2. Expenses. Mortgagor will pay or reimburse Lender, within thirty (30) days after demand therefor, for all actual, documented out-of-pocket reasonable attorney’s fees, costs and expenses incurred by Lender in any suit, action, legal proceeding or dispute of any kind in which Lender is made a party or appears as party plaintiff or defendant, affecting or arising in connection with the Secured Debt secured hereby, this Instrument or the interest created herein, or the Property, including, but not limited to, the exercise of the power of sale contained in this Instrument, any condemnation action involving the Property or any action to protect the security hereof; and any such amounts paid by Lender shall be added to the Secured Debt secured by the lien of this Instrument.
  3. Subrogation. Lender shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the Secured Debt secured hereby.
  4. Limit of Validity. If from any circumstances whatsoever fulfillment of any provision of this Instrument, and the Note, at the time performance of such provision shall be due, shall be subject to the defense of usury or otherwise transcend or violate applicable law concerning interest or other charges, then ipso facto the obligation to be fulfilled shall be reduced to the limit, so that in no event shall any exaction be possible under this Instrument, or the Note the be subject to the defense of usury or otherwise transcend or violate applicable law concerning interest or other charges that is in excess of the current limit, but such obligation shall be fulfilled to the maximum limit permitted. The provisions of this Section 1.14 shall control every other provision of this Instrument, the Guaranty, or the Note.
  5. Conveyance of Property. Mortgagor hereby acknowledges to Lender that (a) the identity and expertise of Mortgagor was and continues to be a material circumstance upon which Lender has relied in connection with, and which constitute valuable consideration to Lender for, the extending to the Mortgagor of the loan evidenced by the Note, and (b) any change in such identity or expertise could materially impair or jeopardize the security for the payment of the Secured Debt granted to Lender by this Instrument. Mortgagor therefore covenants and agrees with Lender, as part of the consideration for the extending to the Mortgagor of the loan evidenced by the Note, that Mortgagor shall not convey, transfer, assign, further encumber or pledge any or all of its interest in the Property.
  6. Events of Default. The terms “Default” and “Event of Default” as used herein shall have the following meanings:

“Default” shall mean any event which, with the giving of notice or the lapse of time, or both, would become an Event of Default.

“Event of Default” shall mean (a) an Event of Default under the Note beyond all applicable notice and cure periods, or (b) any default in the payment or performance of the obligations of Mortgagor hereunder when the same shall become due and payable which is not cured within any grace or notice and cure period provided, if any, or (c) any default in the performance of any other obligations of Mortgagor hereunder which is not cured within thirty (30) days of written notice thereof is provided to Mortgagor; provided that no such notice and cure period is provided with respect to any default (i) under Section 1.05, (ii) under Section 1.08, (iii) under Section 1.15, or (d) any representation or warranty of Mortgagor hereunder proving to be false or incorrect in any material respect upon the date when made or deemed to have been repeated.

* 1. Acceleration of Maturity. If an Event of Default shall have occurred and be continuing, then the entire Secured Debt secured hereby shall, at the option of Lender, immediately become due and payable without notice or demand except as required by law, time being of the essence of this Instrument.
  2. Right to Enter and Take Possession.
     1. If an Event of Default shall have occurred and be continuing, Mortgagor, upon demand of Lender, shall forthwith surrender to Lender the actual possession of the Property, and if and to the extent permitted by law, Lender itself, or by such officers or agents as it may appoint, may enter and take possession of all the Property (or such portion or portions as Lender may select) without the appointment of a keeper, or an application therefor, and may exclude Mortgagor and its agents and employees wholly therefrom, and may have joint access with Mortgagor to the books, papers and accounts of Mortgagor.
     2. If Mortgagor shall for any reason fail to surrender or deliver the Property or any part thereof after such demand by Lender, Lender may obtain a judgment or decree conferring upon Lender the right to immediate possession or requiring Mortgagor to deliver immediate possession of the Property to Lender. All actually incurred expenses of obtaining such judgment or decree, including reasonable compensation to Lender, its attorneys and agents, shall become a part of the Secured Debt.
     3. Upon every such entering upon or taking of possession, Lender may hold, store, use, operate, manage and control the Property and conduct the business thereof and, from time to time, (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, component parts, personalty and other property; (ii) insure or keep the Property insured; (iii) lease, manage and operate the Property and exercise all the rights and powers of Mortgagor to the same extent as Mortgagor could in its own name or otherwise with respect to the same; and (iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted Lender, all as Lender from time to time may determine to be in its best interest. Lender may collect and receive all the rents, issues, profits and revenues from the Property, including those past due as well as those accruing thereafter, and, after deducting (1) all expenses of taking, holding, managing and operating the Property (including compensation for the services of all persons employed for such purposes); (2) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions; (3) the cost of such insurance; (4) such taxes, assessments and other similar charges as Lender may at its option pay; (5) other proper charges upon the Property or any part thereof; and (6) the reasonable compensation, expenses and disbursements of the attorneys and agents of Lender. Lender shall have no obligation to discharge any duties of a landlord to any tenant or to incur any liability as a result of any exercise by Lender of any rights under this Instrument or otherwise. Lender shall not be liable for any failure to collect rents, issues, profits and revenues from the Property, nor shall Lender be liable to account for any such rents, issues, profits or revenues unless actually received by Lender.
     4. Whenever all that is due upon the Secured Debt and under any of the terms, covenants, conditions and agreements of this Instrument shall have been paid, and all Events of Default cured, Lender shall surrender possession of the Property to Mortgagor, its successors or assigns. The same right of taking possession, however, shall exist if any subsequent Event of Default shall occur and be continuing.
  3. Performance by Lender. If there shall be a Default or an Event of Default in the payment, performance or observance of any term, covenant or condition of this Instrument, Lender may, so long as such Default or Event of Default continues, at its option, pay, perform or observe the same, and all payments made or costs or expenses incurred by Lender in connection therewith, shall be secured hereby and shall be, upon demand, immediately repaid by Mortgagor to Lender with interest thereon at the Default Rate. Lender shall be the sole judge of the necessity for any such actions and of the amounts to be paid. Lender is hereby empowered to enter and to authorize others to enter upon the Land or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Mortgagor or any person in possession holding under Mortgagor.
  4. Keeper. If an Event of Default shall have occurred and be continuing, Lender, upon application to a court of competent jurisdiction, shall be entitled as a matter of strict right without regard to the occupancy or value of any security for the Secured Debt secured hereby or the solvency of any party bound for its payment, to the appointment of a keeper to take possession of and to operate the Property (or such portion or portions as Lender may select) and to collect and apply the rents, issues, profits and revenues thereof. The keeper shall have all of the rights and powers permitted under the laws of the State of Louisiana, including, but not limited to, Louisiana Revised Statutes 9:5136 through 9:5140.2. Mortgagor will pay to Lender upon demand all reasonable out of pocket expenses, including keeper’s fees, attorney’s fees, costs and agent’s compensation, incurred pursuant to the provisions of this Section 2.05, and all such expenses shall be secured by this Instrument.
  5. Enforcement.
     1. Power of Sale. Upon the occurrence and during the continuance of an Event of Default, and to the extent authorized by applicable law, Lender, at its option, may sell, and is hereby authorized and empowered to sell the Property or any part of the Property at one or more public sale or sales conducted at the time and place and in the usual manner of the sheriff’s sales in the parish in which the Land or any part of the Land is situated, to the highest bidder for cash, in order to pay the Secured Debt, and all expenses of sale and of all proceedings in connection therewith, including reasonable attorney’s fees, in bar of the right and equity of redemption, homestead and all other rights and exemptions of every kind, if any (including, without limitation, all rights under any appraisement, valuation, stay or extension laws and all rights to have the Property marshaled upon foreclosure hereof), which may now or hereafter exist, all of which are hereby expressly waived by Mortgagor, after first advertising the time, place and terms of sale once a week for four (4) weeks immediately preceding such sale (but without regard to the number of days) in a newspaper in which sheriff’s sales are advertised in said parish, all other notice being hereby waived by Mortgagor. At any such public sale, Lender may execute and deliver to the purchaser a conveyance of the Property or any part of the Property in full ownership, with full warranties of title, and to this end Mortgagor hereby constitutes and appoints Lender the agent and attorney-in-fact of Mortgagor to make such sale and conveyance, and thereby to divest Mortgagor of all right, title and equity that Mortgagor may have in and to the Property and to vest the same in the purchaser or purchasers at such sale or sales, and all the acts and doings of said agent and attorney-in-fact are hereby ratified and confirmed, and any recitals in said conveyance or conveyances as to facts essential to a valid sale shall be binding upon Mortgagor. The aforesaid power of sale and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, are granted as cumulative of the other remedies provided hereby or by law for the collection of the Secured Debt, and shall not be exhausted by one exercise thereof but may be exercised until full payment of all of the Secured Debt. In the event of any sale under this Instrument by virtue of the exercise of the powers herein granted, or pursuant to any order in any judicial proceeding or otherwise, the Property may be sold as an entirety or in separate parcels and in such manner or order as Lender in its discretion may elect, and if Lender so elects, Lender may sell the movable property covered by this Instrument concurrently with the real property covered hereby or at one or more separate sales in any manner permitted by the Louisiana Uniform Commercial Code, and one or more exercises of the powers herein granted shall not extinguish nor exhaust such powers, until the entire Property are sold or the Secured Debt is paid in full. Lender may, at its option, sell the Property subject to the rights of any tenants, licenses, or lessees of the Property, and the failure to make any such tenants or licensees parties to any foreclosure proceedings and to foreclose their rights will not be asserted by Mortgagor to be a defense to any proceedings instituted by Lender to collect the Secured Debt. If the Secured Debt is now or hereafter further secured by any chattel mortgages, pledges, contracts of guaranty, assignments of lease or other security instruments, Lender may at its option exhaust the remedies granted under any of said security either concurrently or independently, and in such order as Lender may determine in its discretion. Upon any foreclosure sale, Lender may bid for and purchase the Property and shall be entitled to apply all or any part of the Secured Debt as a credit to the purchase price. In the event of any such foreclosure sale by Lender, Mortgagor shall be deemed a tenant holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable to tenants holding over. Lender may proceed to enforce any right, power or remedy of foreclosure under this Instrument upon the occurrence and continuation of an Event of Default and without any requirement or condition that a judgment against Mortgagor be obtained. In case Lender shall have proceeded to enforce any right, power or remedy under this Instrument by foreclosure, entry or otherwise or in the event Lender commences advertising of the intended exercise of the sale under power provided hereunder, and such proceeding or advertisement shall have been withdrawn, discontinued or abandoned for any reason, then in every such case (i) Mortgagor and Lender shall be restored to their former positions and rights, (ii) all rights, powers and remedies of Lender shall continue as if no such proceeding had been taken, (iii) each and every Event of Default declared or occurring prior or subsequent to such withdrawal, discontinuance or abandonment shall be deemed to be a continuing Event of Default, and (iv) neither this Instrument, nor the Note, nor the Secured Debt, nor any other Loan Document shall be or shall be deemed to have been reinstated or otherwise affected by such withdrawal, discontinuance or abandonment; and Mortgagor hereby expressly waives the benefit of any statute or rule of law now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with this sentence.
     2. If an Event of Default shall have occurred and be continuing, Lender may, in addition to and not in abrogation of the rights covered under subparagraph (a) of this Section 2.06, either with or without entry or taking possession as herein provided or otherwise, proceed by a suit or suits in law or in equity or by any other appropriate proceeding or remedy (i) to enforce payment of the Secured Debt or the performance of any term, covenant, condition or agreement of this Instrument or any other right, and (ii) to pursue any other remedy available to it, all as Lender shall determine most effectual for such purposes.
     3. If an Event of Default shall have occurred and be continuing, Lender may, in addition to and not in abrogation of the rights covered under subparagraphs (a) and (b) of this Section 2.06, institute proceedings for the complete foreclosure of this Instrument in which case the Property may be sold for cash or upon credit in one or more parcels under ordinary or executory process, at the Lender’s sole option, and with or without appraisement, appraisement being expressly waived. For purposes of foreclosure under Louisiana executory process procedures, the Mortgagor hereby acknowledges and confesses judgment in favor of the Lender for the full amount of the Secured Debt.
     4. Mortgagor waives in favor of the Lender any and all homestead exemptions and other exemptions of seizure or otherwise to which Mortgagor is or may be entitled under the constitution and statutes of the State of Louisiana insofar as the Property is concerned. Mortgagor further waives: (a) the benefit of appraisement as provided in Louisiana Code of Civil Procedure Articles 2332, 2336, 2723 and 2724, and all other laws conferring the same; (b) the notice of seizure required by Louisiana Code of Civil Procedure Articles 2293 and 2721; (c) the three days delay provided by Louisiana Code of Civil Procedure Articles 2331 and 2722; and (d) the benefit of the other provisions of Louisiana Code of Civil Procedure Articles 2331, 2722 and 2723, not specifically mentioned above.
     5. Any and all declarations of fact made by authentic act before a notary public in the presence of two witnesses by a person declaring that such facts lie within his knowledge, shall constitute authentic evidence of such facts for the purpose of executory process.
  6. Purchase by Lender. Upon any foreclosure sale, Lender may bid for and purchase the Property and shall be entitled to apply all or any part of the Secured Debt secured hereby as a credit to the purchase price.
  7. Application of Proceeds of Sale. The proceeds received by Lender as a result of the foreclosure sale of the Property or the exercise of any other rights or remedies hereunder shall be applied first, to any Enforcement Costs, and second to the Secured Debt, with all remaining funds being paid to Mortgagor.
  8. Mortgagor as Tenant Holding Over. In the event of any such foreclosure sale by Lender, Mortgagor shall be deemed a tenant holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable to tenants holding over.
  9. Waiver of Appraisement, Valuation, Stay, Extension and Redemption Laws. Mortgagor agrees, to the full extent permitted by law, that in case of a Default or Event of Default, neither Mortgagor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension, homestead, exemption or redemption laws now or hereafter in force, and Mortgagor, for itself and all who may at any time claim through or under it, hereby waives to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets comprised in the security intended to be created hereby marshaled upon any foreclosure of the lien hereof.
  10. Waiver of Homestead. Mortgagor hereby waives and renounces all homestead and exemption rights provided for by the Constitution and the laws of the United States and of any state, in and to the Property as against the collection of the Secured Debt, or any part hereof.
  11. Leases; Licensees. Lender, at its option, is authorized to foreclose this Instrument subject to the rights of any tenants, lessees and licensees of the Property, and the failure to make any such tenants, lessees or licensees parties to any such foreclosure proceedings and to foreclose their rights will not be, nor be asserted by Mortgagor to be a defense to any proceedings instituted by Lender to collect the sums secured hereby.
  12. Discontinuance of Proceedings and Restoration of the Parties. In case Lender shall have proceeded to enforce any right, power or remedy under this Instrument by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Lender, then and in every such case Mortgagor and Lender shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Lender shall continue as if no such proceeding had been taken.
  13. Remedies Cumulative. No right, power or remedy conferred upon or reserved to Lender by this Instrument is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and may be exercised against Mortgagor as Lender may select and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.
  14. Waiver.
      1. No delay or omission of Lender to exercise any right, power or remedy accruing upon any Default or Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such Default or Event of Default, or acquiescence therein; and every right, power and remedy given by this Instrument to Lender may be exercised from time to time and as often as may be deemed expedient by Lender. No consent or waiver, expressed or implied, by Lender to or of any Default or Event of Default by Mortgagor in the performance of the obligations thereof hereunder shall be deemed or construed to be a consent or waiver to or of any other Default or Event of Default in the performance of the same or any other obligations of Mortgagor hereunder. Failure on the part of Lender to complain of any act or failure to act or to declare a Default or Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by Lender of its rights hereunder or impair any rights, powers or remedies consequent on any Default or Event of Default by Mortgagor.
      2. If Lender (i) grants forbearance or an extension of time for the payment of any sums secured hereby; (ii) takes other or additional security for the payment of any sums secured hereby; (iii) waives or does not exercise any right granted herein or in the Note; (iv) releases any part of the Property from the lien of this Instrument, otherwise changes any of the terms, covenants, conditions or agreements of the Note, or this Instrument; (v) consents to the filing of any map, plat or replat affecting the Property; (vi) consents to the granting of any servitude or other right affecting the Property; or (vii) makes or consents to any agreement subordinating the lien hereof, any such act or omission shall not release, discharge, modify, change or affect the original liability under the Note, or this Instrument or any other obligation of Mortgagor, or any subsequent purchaser of the Property or any part thereof, or any maker, co‑signer, endorser, surety or guarantor; nor shall any such act or omission preclude Lender from exercising any right, power or privilege herein granted or intended to be granted in the event of any Default then made or of any subsequent Default; nor, except as otherwise expressly provided in an instrument or instruments executed by Lender, shall the lien of this Instrument be altered thereby. In the event of the sale or transfer by operation of law or otherwise of all or any part of the Property, Lender, without notice, is hereby authorized and empowered to deal with any such vendee or transferee with reference to the Property or the Secured Debt secured hereby, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities, obligations or undertakings.
  15. Suits to Protect the Property. Lender shall have power (a) to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Property by any acts which may be unlawful or in violation of this Instrument, (b) to preserve or protect its interest in the Property and in the rents, issues, profits and revenues arising therefrom, and (c) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security hereunder or be prejudicial to the interest of Lender.
  16. Lender May File Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Mortgagor, its creditors or its property, Lender, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Lender allowed in such proceedings for the entire amount due and payable by Mortgagor under this Instrument at the date of the institution of such proceedings and for any additional amount which may become due and payable by Mortgagor hereunder after such date.
  17. WAIVER OF MORTGAGOR’S RIGHTS. BY EXECUTION OF THIS INSTRUMENT, MORTGAGOR EXPRESSLY: (A) ACKNOWLEDGES THE RIGHT OF LENDER TO ACCELERATE THE SECURED DEBT AND, TO THE EXTENT PERMITTED BY LAW, THE POWER OF LENDER TO SELL THE PROPERTY BY NONJUDICIAL FORECLOSURE UPON AN EVENT OF DEFAULT BY MORTGAGOR WITHOUT ANY JUDICIAL HEARING AND WITHOUT ANY NOTICE OTHER THAN SUCH NOTICE (IF ANY) AS IS SPECIFICALLY REQUIRED TO BE GIVEN UNDER THE PROVISIONS OF THIS INSTRUMENT OR BY LAW; (B) TO THE FULL EXTENT PERMITTED BY LAW, WAIVES ANY AND ALL RIGHTS WHICH MORTGAGOR MAY HAVE UNDER THE CONSTITUTION OF THE UNITED STATES (INCLUDING, WITHOUT LIMITATION, THE FIFTH AND FOURTEENTH AMENDMENTS THEREOF), THE VARIOUS PROVISIONS OF THE CONSTITUTIONS FOR THE SEVERAL STATES, OR BY REASON OF ANY OTHER APPLICABLE LAW, TO NOTICE AND TO JUDICIAL HEARING PRIOR TO THE EXERCISE BY AGENT OF ANY RIGHT OR REMEDY HEREIN PROVIDED TO AGENT, EXCEPT SUCH NOTICE (IF ANY) AS IS SPECIFICALLY REQUIRED TO BE PROVIDED IN THIS INSTRUMENT OR BY APPLICABLE LAW; (C) ACKNOWLEDGES THAT MORTGAGOR HAS READ THIS INSTRUMENT AND THE OTHER LOAN DOCUMENTS AND ANY AND ALL QUESTIONS REGARDING THE LEGAL EFFECT OF THIS INSTRUMENT AND THE OTHER LOAN DOCUMENTS AND THEIR PROVISIONS HAVE BEEN EXPLAINED FULLY TO MORTGAGOR AND MORTGAGOR HAS CONSULTED WITH COUNSEL OF MORTGAGOR’S CHOICE PRIOR TO EXECUTING THIS INSTRUMENT; AND (D) ACKNOWLEDGES THAT ALL WAIVERS OF THE AFORESAID RIGHTS OF MORTGAGOR HAVE BEEN MADE KNOWINGLY, INTENTIONALLY AND WILLINGLY BY MORTGAGOR AS PART OF A BARGAINED FOR LOAN TRANSACTION.
  18. Indemnification; Subrogation; Waiver of Offset.
      1. Mortgagor shall indemnify, defend and hold the Lender (the “Indemnified Parties”) harmless for, from and against any and all liability, obligations, losses, damages, penalties, claims, actions, suits, costs and expenses (including Lender’s reasonable attorneys’ fees, together with reasonable appellate counsel fees, if any) of whatever kind or nature which may be asserted against, imposed on or incurred by any Indemnified Party in connection with the Secured Debt, this Instrument, the Property, or any part thereof, or the exercise by Lender of any rights or remedies granted to it under this Instrument; provided, however, that nothing herein shall be construed to obligate Mortgagor to indemnify, defend and hold harmless any Indemnified Party for, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs and expenses asserted against, imposed on or incurred by such Indemnified Party by reason of such Person’s willful misconduct or gross negligence if a judgment is entered against such Indemnified Party by a court of competent jurisdiction after the expiration of all applicable appeal periods.
      2. If an Indemnified Party is made a party defendant to any litigation or any claim is threatened or brought against an Indemnified Party concerning the Secured Debt, this Instrument, the Property, or any part thereof, or any interest therein, or the construction, maintenance, operation or occupancy or use thereof, then Mortgagor shall indemnify, defend and hold such Person harmless for, from and against all liability by reason of said litigation or claims, including reasonable attorneys’ fees (together with reasonable appellate counsel fees actually incurred, if any) and expenses incurred by such Person in any such litigation or claim, whether or not any such litigation or claim is prosecuted to judgment; provided, however, that nothing in this Section 2.19(b) shall be construed to obligate Mortgagor to indemnify, defend and hold harmless an Indemnified Party for, from and against any and all liabilities or claims imposed on or incurred by such Person by reason of such Person’s willful misconduct or gross negligence if a judgment is entered against such Person by a court of competent jurisdiction after expiration of all applicable appeal periods. If Lender commences an action against Mortgagor to enforce any of the terms hereof or to prosecute any breach by Mortgagor of any of the terms hereof or to recover any sum secured hereby, Mortgagor shall pay to Lender its reasonable attorneys’ fees actually incurred (together with reasonable appellate counsel fees, if any) and expenses. In the event the Secured Debt, or any part thereof, are collected by or through an attorney at law, Mortgagor agrees to pay all costs of collection, including, but not limited to, reasonable attorney’s fees actually incurred. The right to such attorneys’ fees (together with reasonable appellate counsel fees actually incurred, if any) and expenses shall be deemed to have accrued on the commencement of such action, and shall be enforceable whether or not such action is prosecuted to judgment. If Mortgagor breaches any term of this Instrument, Lender may engage the services of an attorney or attorneys to protect its rights hereunder, and in the event of such engagement following any breach by Mortgagor, Mortgagor shall pay Lender reasonable attorneys’ fees (together with reasonable appellate counsel fees, if any) and expenses incurred by Lender, whether or not an action is actually commenced against Mortgagor by reason of such breach. All references to “attorneys” in this Subsection and elsewhere in this Instrument shall include without limitation any attorney or law firm engaged by Lender and Lender’s in-house counsel, and all references to “fees and expenses” in this Subsection and elsewhere in this Instrument shall include without limitation any fees of such attorney or law firm and any allocation charges and allocation costs of Lender’s in-house counsel.
      3. A waiver of subrogation shall be obtained by Mortgagor from its insurance carrier and, consequently, Mortgagor waives any and all right to claim or recover against Indemnified Parties and each of their respective officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Property, Mortgagor’s property or the property of others under Mortgagor’s control from any cause insured against or required to be insured against by the provisions of this Instrument.
      4. ALL SUMS PAYABLE BY MORTGAGOR HEREUNDER SHALL BE PAID WITHOUT NOTICE (EXCEPT AS MAY OTHERWISE BE PROVIDED HEREIN), DEMAND, COUNTERCLAIM, SETOFF, DEDUCTION OR DEFENSE AND WITHOUT ABATEMENT, SUSPENSION, DEFERMENT, DIMINUTION OR REDUCTION, AND THE SECURED OBLIGATIONS AND LIABILITIES OF MORTGAGOR HEREUNDER SHALL IN NO WAY BE RELEASED, DISCHARGED OR OTHERWISE AFFECTED BY REASON OF: (I) ANY DAMAGE TO OR DESTRUCTION OF OR ANY CONDEMNATION OR SIMILAR TAKING OF THE PROPERTY OR ANY PART THEREOF; (II) ANY RESTRICTION OR PREVENTION OF OR INTERFERENCE WITH ANY USE OF THE PROPERTY OR ANY PART THEREOF; (III) ANY TITLE DEFECT OR ENCUMBRANCE OR ANY EVICTION FROM THE LAND OR THE IMPROVEMENTS ON THE LAND OR ANY PART THEREOF BY TITLE PARAMOUNT OR OTHERWISE; (IV) ANY BANKRUPTCY, INSOLVENCY, REORGANIZATION, COMPOSITION, ADJUSTMENT, DISSOLUTION, LIQUIDATION, OR OTHER LIKE PROCEEDING RELATING TO AN INDEMNIFIED PARTY OR ANY ACTION TAKEN WITH RESPECT TO THIS INSTRUMENT BY ANY TRUSTEE OR BY ANY RECEIVER OF AGENT, OR BY ANY COURT, IN SUCH PROCEEDING; (V) ANY CLAIM WHICH MORTGAGOR HAS, OR MIGHT HAVE, AGAINST AN INDEMNIFIED PARTY; (VI) ANY DEFAULT OR FAILURE ON THE PART OF AN INDEMNIFIED PARTY TO PERFORM OR COMPLY WITH ANY OF THE TERMS HEREOF OR OF ANY OTHER AGREEMENT WITH MORTGAGOR; OR (VII) ANY OTHER OCCURRENCE WHATSOEVER, WHETHER SIMILAR OR DISSIMILAR TO THE FOREGOING, WHETHER OR NOT MORTGAGOR SHALL HAVE NOTICE OR KNOWLEDGE OF ANY OF THE FOREGOING. MORTGAGOR WAIVES ALL RIGHTS NOW OR HEREAFTER CONFERRED BY STATUTE OR OTHERWISE TO ANY ABATEMENT, SUSPENSION, DEFERMENT, DIMINUTION, OR REDUCTION OF ANY SUM SECURED HEREBY AND PAYABLE BY MORTGAGOR.
  19. Successors and Assigns. This Instrument shall inure to the benefit of and be binding upon Mortgagor and Lender and their respective heirs, executors, legal representatives, successors and assigns. Whenever a reference is made in this Instrument to Mortgagor or Lender such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors and assigns of Mortgagor or Lender.
  20. Terminology. All personal pronouns used in this Instrument whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles and Articles are for convenience only and neither limit nor amplify the provisions of this Instrument itself, and all references herein to Articles, Sections or subsections thereof, shall refer to the corresponding Articles, Sections or subsections thereof, of this Instrument unless specific reference is made to such Articles, Sections or subsections thereof of another document or instrument.
  21. Severability. If any provision of this Instrument or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Instrument and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
  22. Applicable Law. This Instrument will be governed by the substantive laws of the State of Louisiana, without giving effect to its principles of choice of law or conflicts of law (except with respect to choice of law or conflicts of law provisions of its Uniform Commercial Code), and the laws of the United States applicable to transactions in the State of Louisiana. Should any obligation or remedy under this Instrument be invalid or unenforceable pursuant to the laws provided herein to govern, the laws of any other state referred to herein or of another state whose laws can validate and apply thereto shall govern.
  23. Notices. Except as otherwise provided herein, any notice or other communication required hereunder shall be in writing, and shall be deemed to have been validly served, given or delivered if given and delivered to the address stated in Schedule 2 to this Instrument.
  24. [Reserved.]
  25. Assignment. This Instrument is assignable by Lender in connection with the sale and or assignment of the Loan, and any assignment hereof by Lender shall operate to vest in the assignee all rights and powers herein conferred upon and granted to Lender.
  26. Time of the Essence. Time is of the essence with respect to each and every covenant, agreement and obligation of Mortgagor under this Instrument, and any and all other instruments now or hereafter evidencing, securing or otherwise relating to the Secured Debt.
  27. [Reserved.]
  28. Mortgagor. Unless the context clearly indicates otherwise, as used in this Instrument, “Mortgagor” means the Mortgagor named in the recitals hereof or any of them. The obligations of Mortgagor hereunder, if more than one, shall be solidary. If any Mortgagor, or any signatory who signs on behalf of any Mortgagor, is a corporation, partnership or other legal entity, Mortgagor and any such signatory, and the person or persons signing for it, represent and warrant to Lender that this instrument is executed, acknowledged and delivered by Mortgagor’s duly authorized representatives.
  29. Lien of This Instrument. The words “lien of this Instrument” or words of similar import in this Instrument shall mean the lien, security title and security interest hereby created and conveyed.
  30. No Paraph. Mortgagor acknowledges that no note or other evidence of Secured Debt has been paraphed for identification with this Instrument.
  31. Acceptance. The acceptance of this Instrument by Lender and the consent by Lender to the terms and conditions of this Instrument are presumed and, under the provisions of Louisiana Civil Code article 3289, Lender has not been required to sign this Mortgage.
  32. Certificates. Mortgagor and Lender waive the production of mortgage, conveyance, tax research and other certificates and relieve and release me, Notary, from all responsibility and liability in connection therewith.
  33. Reliance. No third party shall be obligated to inquire as to whether any term or condition set forth therein has occurred but shall be entitled to rely upon the certificate of the Lender as to all events, including but not limited to the occurrence of an Event of Default and the right of the Lender to enforce this Instrument.

[Remainder of Page Left Blank Intentionally]

**THUS DONE AND PASSED** on the day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2023, but dated for the convenience of the parties as of the date first above written, in my presence and in the presence of the undersigned competent witnesses who hereinto sign their names with the said Mortgagor and me, Notary, after reading of the whole.

|  |  |
| --- | --- |
| **WITNESSES:**    Print Name:    Print Name: | **BORROWER:**  «**BORROWERNAME2**», a «BorrowerEntity\_Type»  By:  Name:  Title: |
| *Notary Public* Name:  Bar/Notary No:  Commission Expires: | |

[Attach Resolutions of MORTGAGOR]

**EXHIBIT A**

Property Description

EXHIBIT “B”

Permitted Encumbrances