



FIRST MORTGAGE

This Mortgage is made on April 26, 2017

BETWEEN the Borrower

JOHN & NEIL DEVELOPMENT, LLC, whose principal address is 53 Upper Lakeview Avenue, Ringwood, NJ 07456, referred to as the Mortgagor, and owner of the collateral used to secure a commercial loan,

AND the Lender

J.R.S. HOLDINGS, LLC, whose principal place of business is 102 Tuscana Court, #904, Naples, Florida 34119, referred to as the Lender.

The words "I" or "Borrower" or "Maker" or "Co Borrower" shall be interchangeable with the words "Mortgagor". The word "Lender" means the original Lender and anyone else who takes this Mortgage by transfer. The word "Lender" also means the "Note Holder" or "Holder" or "Mortgagee." The word "Guarantors" means John Solan and Neil Jerome, officers of the Corporation. The word "Mortgage" also means commercial mortgage as so provided in the Loan Documents. The word "Mortgage" means Mortgage Note.

Security Instrument. This Mortgage is a first mortgage security instrument. As used herein, the terms "Mortgage", "First Mortgage", "Security Instrument" and "this Instrument" shall be interchangeable.

Mortgage Note. Under the provisions of this mortgage JOHN & NEIL DEVELOPMENT, LLC (the "Borrower"), grants a first mortgage on the subject real property (See attached legal description) to Lender for the principal sum of \$225,000.00. This mortgage is given in return for proceeds received from a commercial loan in the sum of \$225,000.00 (called "principal"), subject to certain adjustments in accordance with the terms of a Term Sheet, Promissory Note and other Loan Documents. All sums owed under the Mortgage unless otherwise satisfied by the Borrower are due and owing as provided for in the Note. All terms and provisions of the Note and the Loan Documents set forth in the Note are made an integral part of this Mortgage.

THIS FIRST MORTGAGE IS PAYABLE IN FULL 365 DAYS FROM THIS DATE

Record and return to:
J.R.S. HOLDINGS, LLC
C/O James R. Solakian
102 Tuscana Court, #904
Naples, FL 34119

[For Recorder's Use Only]

KRISTIN M. CORRADO
CLERK
PASSAIC COUNTY
New Jersey

INSTRUMENT NUMBER
2017025197

RECORDED ON
May 24, 2017

11:26:24 AM

BOOK:M14492

PAGE:106

Total Pages: 16

NJ PRESERVATION ACCOUNT	Page 1	\$80.00
COVER PAGE FEE	1	\$20.00
RECORDING FEES - RECORDER OF DEEDS	1	\$100.00
HOMELESSNESS TRUST FUND	1	\$3.00
TOTAL PAID	4	\$203.00

INV: 1210536 USER:

15 J.S.

16
CF
183 (+CS)
20

COPY

Property Mortgaged. The property mortgaged to the Lender (called the "Property") is located at 53 Upper Lakeview Avenue, Borough of Ringwood, Ringwood, NJ 07456; Legal Description Block: 838 Lot: 45 in the County of Passaic, New Jersey on the Official Tax Map of Borough of Ringwood, County of Passaic, State of New Jersey (the "Property"), the Property includes: (a) the land; (b) all buildings that are now, or will be, located in the land; (c) all fixtures that are now, or will be, attached to the land or building(s) (for example, furnaces, bathroom fixtures and kitchen cabinets); (d) all condemnation awards and insurance proceeds relating to the land and building(s); and (e) all other rights that I have, or will have, as owner of the Property. A further description of the Property is contained in the Schedule and/or the Description attached hereto.

Rights Given to Lender. Borrower mortgages the Property to the Lender. This means that Borrower gives the Lender those rights stated in this Mortgage and also those rights the law gives to lenders who hold mortgages on real property. When Borrower pays all amounts due to the Lender under the Note and this Mortgage, the Lender's rights under this Mortgage will end. The Lender will then cancel this Mortgage at Borrowers expense.

Promises. Borrower makes the following promises to the Lender:

- 1. Note and Mortgage.** Borrower will comply with all of the terms of the Note and this Mortgage.
- 2. Payments.** Borrower will make all payments required by the Note and this Mortgage. Except as provided elsewhere in this Mortgage or in the Note or by applicable law, all payments received by Lender pursuant to this Mortgage shall be applied: first, to any prepayment charges due under the Note; second, to non-interest and non-principal amounts payable pursuant to this Mortgage including the costs of collection; third, to any late charges due under the Note; fourth, to interest due; and fifth, to principal due. Any payment hereunder received by Holder, other than a partial prepayment of principal and interest due hereunder, shall be applied first to satisfaction of all costs of collection (if Maker is delinquent in its payments hereunder), then to payment of non-interest and non-principal amounts payable pursuant to this Note, then to all accrued but unpaid interest on the outstanding principal balance hereof, and then to reduction of the principal amount hereof.

If Lender or any Assignee receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

- 3. Ownership; Transfer of the Property or a Beneficial Interest in Borrower.** Borrower warrants title to the Property. This means Borrower owns the Property and will defend Borrower

ownership against all claims.

Borrower understands that, without the Lender's written consent, should: (A) the mortgaged Property or any part of the mortgaged Property or any interest in the mortgaged Property be sold or transferred or (B) the mortgaged Property be encumbered by any lien or interest except as provided for in this Mortgage or (C) if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred be sold or conveyed, then the balance of the Note, including interest and other charges, shall be immediately due and payable.

As used in this Section, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title or part of it by Borrower at a future date to a purchaser.

4. Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. Borrower will not claim any deduction from the taxable value of the Property because of this Mortgage and will not claim any credit against the principal under this Note and this Mortgage for any taxes or any of the other above items paid on the Property.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless, with the written consent of the Lender, Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Tax and Insurance Escrow. If the Lender requests, and if not provided in the monthly payments of the first mortgage, Borrower will make regular monthly payments to the Lender of: (a) 1/12 of the yearly real estate taxes and assessments on the Property; and (b) 1/12 of the yearly cost of insurance on the Property. These payments will be held by the Lender without interest to pay the taxes, assessments and insurance premiums as they become due.

6. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended

coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remapping or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverage's described above, Lender may obtain insurance coverage, at Lender's option and Borrower expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. The Lender may then settle the claim on Borrower's behalf if Borrower fails to do so. All payments from the insurance company must be payable to the Lender under a "standard mortgage clause" in the insurance policy. The Lender may use any proceeds to repair and restore the Property or to reduce the amount due under the Note and this Mortgage whether due or not. At the option of the Lender, if Lender and Borrower agree in writing, all or part of the insurance proceeds, whether or not the underlying insurance was required by Lender, may be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. This will not delay the due date for any payment under the Note and

this Mortgage. If the Lender permits repair and restoration, then the following will apply: Borrower shall immediately proceed with the restoration of the Improvement and diligently prosecute the work of restoration and shall use such proceeds for no other purpose. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If Lender decides to apply the insurance proceeds to reduce the amounts due on the Loan, or, if this is not permitted by applicable law, but the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to payoff in full the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

7. **Occupancy.** Borrower acknowledges that the real property will be held as collateral after the real property is purchased and held by JOHN & NEIL DEVELOPMENT, LLC, which is a New Jersey Limited Liability Company and the real property will be offered for sale immediately upon completion of the rehabilitation.

8. **Lawful Use.** Borrower will use the Property in compliance with all laws, ordinances and other requirements of any governmental authority.

9. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy damage or impair the Property or allow the Property to deteriorate or commit waste on the Property. Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. The lack or insufficiency of insurance or condemnation proceeds to repair or restore the Property, shall not relieve Borrower of the Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

10. **Hazardous Substances.** As used in this Section: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or

removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, or (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

11. Borrower Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's primary use of the Property as a commercial rental property.

12 Protection of Lender's Interest in the Property and Rights under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of alien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security

Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section.

Any amounts disbursed by Lender under this Section shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable immediately, with such interest, upon notice from Lender to Borrower requesting payment

13. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender. "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverage's described above) for: (a) damage to, or destruction of, the Property; (b) condemnation or other taking of all or any part of the Property; (c) conveyance in lieu of condemnation; or (d) misrepresentations of, or omissions as to, the value and/or condition of the Property.

If the Property is damaged, such Miscellaneous Proceeds shall be, at the Lender's option, applied to reduce the amount due under the Note and this Mortgage or to repair and restore the Property. At the option of the Lender, if Lender and Borrower agree in writing, all or part of such Miscellaneous Proceeds may be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. This will not delay the due date for any payment under the Note and this Mortgage. If the Lender permits repair and restoration, then the following will apply: During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by

this Security Instrument whether or not the sums are then due.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in this Mortgage, by causing, within ninety (90) days of the date of commencement of such action or proceeding, the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lenders interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lenders interest in the Property are hereby assigned and shall be paid to Lender.

14. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in the Note or this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note Default Rate and shall be repaid, with interest, to Lender upon Lender's demand.

15. Statement of Amount Due. Upon request of the Lender, Borrower will certify to the Lender in writing: (a) the amount due on the Note and this Mortgage, and (b) whether or not Borrower has any defense to my obligations under the Note and this Mortgage.

16. Rent. Not Applicable.

17. Other Mortgages. Borrower hereby warrants that the property will remain free of claims and demands of any other person or entity other than this First Mortgage given to J.R.S. HOLDINGS, LLC.

18. Default.

A. Borrower shall be in default on the Note and this Mortgage if:

(1) Borrower fails to make any payment required by the Note and this Mortgage and any Loan Document within seven days after its due date; or

(2) Borrower fails to perform or breaches any covenant, agreement or undertaking in or otherwise commits a default under this Mortgage, or in or under the Note, or in or under the Loan Documents, or in or under any other document, instrument, or agreement, evidencing, securing or otherwise relating to the indebtedness evidenced hereby; or

(3) If any lien, other than the First Mortgage in the amount of \$225,000.00 held by J.R.S. HOLDINGS, LLC is placed on the Property comprising the Collateral for the Note; or

(4) The ownership of the Property comprising the Collateral, if any, for the Note is changed for any reason; or

(5) The holder of any lien on the Property comprising the Collateral for the Note starts foreclosure proceedings or collection proceedings; or

(6) Any Borrower or Guarantors shall be dissolved or shall become bankrupt or shall cease paying its debts generally as they mature or shall make an assignment for the benefit of creditors; (ii) a trustee, receiver or liquidator shall be appointed for any Borrower or Guarantors, or for a substantial part of the property of any Borrower or any Guarantors; (iii) bankruptcy, reorganization, arrangement, insolvency or similar proceedings shall be instituted by or against any Borrower or Guarantors under the laws of any jurisdiction; (iv) any Borrower or Guarantors shall convene or hold a meeting with its creditors to compromise or make similar arrangements with respect to its Indebtedness to such creditors; or (v) any Borrower or any Guarantors or their respective directors, stockholders, officers or agents shall take any action to effect or commence any of the foregoing or with respect to any of the foregoing. Upon the filing of a petition in bankruptcy by or against any Borrower or any Guarantors, said Borrower or Guarantors shall be deemed to be adjudicated bankrupt.

B. Borrower acknowledges and agrees that if more than one person or entity or combination of the two are collectively referred to as "Borrower", then any default or event of default under this Mortgage or the Note or any other Loan Document caused by any one of them shall be deemed a default or event of default by all of them.

C. Default in any of the covenants or conditions of this Mortgage or of the Note secured hereby shall terminate Borrower right to possession, use, and enjoyment of the Property, at the option of the Lender or his assigns (it being agreed that Borrower shall have such right until default). Upon any such default, the Lender shall become the owner of any rents and profit accruing after default as security for the indebtedness secured hereby, with the right to enter upon said Property for the purpose of collecting any rents and profits. This instrument shall

operate as an assignment of any rentals on said Property to that extent, if applicable.

19. Payments Due Upon Default. If Borrower is in default, Borrower must immediately pay the full amount of all unpaid principal, interest, other amounts due on the Note and this Mortgage and the Lender's costs of collection and reasonable attorney fees.

20. Lender's Rights Upon Default.

A. If the Note and this Mortgage or any Loan Document or any other document, instrument, or agreement, evidencing, securing or otherwise relating to the indebtedness evidenced by same are in default, the entire amount of interest, principal and any other sums due under the Note shall become due and payable immediately and interest shall accrue thereafter as provided for in the Note.

B. Further, if the Note and this Mortgage are in default, the Lender will have all rights given by law or set forth in this Mortgage and in the Note and in the Commercial Loan Agreement, the Loan Documents and in or under any other document, instrument, or agreement, including any Deed In Lieu of Foreclosure, evidencing, securing or otherwise relating to the indebtedness evidenced hereby. This includes the right to do any one or more of the following:

(1) take possession of and manage the Property, including the collection of rents and profits, if applicable, or

(2) have a court appoint a receiver to accept rent, if any, for the Property (Borrower consents to this), or

(3) start a court action, known as foreclosure, which will result in a sale of the Property to reduce Borrower obligations under the Note and this Mortgage, or

(4) to take possession of and sell the property pursuant to any Deed In Lieu of Foreclosure which may be incorporated into the documents of this loan, or

(5) before or after entry sell said Property without appraisal (Borrower as mortgagor having waived and assigned to the Lender all rights of appraisal), or

(a) at judicial sale pursuant to the provisions of applicable law.

(b) at the option of the Lender, either by auction or by solicitation of sealed bids, for the highest and best bid complying with the terms of sale and manner of payment, specified in the published notice of sale, first giving public notice of the time, terms, and place of such sale, by advertisement not less than five weeks or as required by law. During which public notice can be published in newspapers or distributed in the county in which said property is situated, all other notice being hereby waived by Borrower as Mortgagor (and Lender, or any person on behalf of Lender, may bid with the unpaid indebtedness evidenced by said note): Said sale shall be held

at or on the Property to be sold or at the Federal, county, or city courthouse for the county in which the Property is located. The Lender is hereby authorized to execute for and on behalf of Borrower as Mortgagor and to deliver to the purchaser at such sale a sufficient conveyance of said Property, which conveyance shall contain recitals as to the happening of the default upon which the execution of the power of sale herein granted depends; and Borrower as Mortgagor hereby constitutes and appoints the Lender or any agent or attorney of the Lender, Borrower agent and attorney in fact as mortgagor to make such recitals and to execute said conveyance and hereby covenants and agrees that the recitals so made shall be effectual to bar all equity or right of redemption, homestead, dower, and all other exemptions of the Mortgagor, all of which are hereby expressly waived and conveyed to the Lender.

(c) In the event of a sale as hereinbefore provided, Borrower as Mortgagor or any persons in possession under Borrower as Mortgagor shall then become and be tenants holding over and shall forthwith deliver possession to the purchaser at such sale or be summarily dispossessed, in accordance with the provisions of law applicable to tenants holding over. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, and are granted as cumulative to the remedies for collection of said indebtedness provided by law.

(d) The proceeds of any sale of said Property in accordance with the preceding paragraphs shall be applied first to pay the costs and expenses of said sale, the expenses incurred by the Lender for the purpose of protecting or maintaining said property, and reasonable attorneys' fees; secondly, to pay the indebtedness secured hereby; and thirdly, to pay any surplus or excess to the person or persons legally entitled thereto.

(e) In the event said Property is sold at a judicial foreclosure sale or pursuant to the power of sale hereinabove granted, and the proceeds are not sufficient to pay the total indebtedness secured by this Instrument and evidenced by said Note, the Lender will be entitled to a deficiency judgment for the amount of the deficiency without regard to appraisalment.

(f) Or to take any other appropriate action pursuant to state or Federal statute either in state or Federal court or otherwise for the disposition of the Property.

21. Sale of Note, Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and applicable law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information required in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan

Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

22. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, and property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by applicable law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make any refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

23. Notices. All notices, demands, consents and requests which may be required to be given shall be in writing and shall be deemed to be properly given if delivered in person or mailed, certified mail, postage prepaid, or sent by Federal Express, UPS or similar carrier: (a) to Borrower at 6104 Grand Avenue, Apt A, North Bergen, NJ 07047, or at such other place as Borrower may from time to time designate by ten (10) calendar days' prior written notice to Holder at the place of payment of this Note; or (b) to the Lender at the place of payment of this Note or at such other place as the Lender shall designate from time to time. Notices, demands, consents and requests mailed or hereinafter provided to Borrower shall be deemed effectively given on the earlier of three (3) business days after deposit or the date of actual delivery. Notice to the Lender shall not be deemed to have been given until actually received by the Lender. If any notice required by this Note is also required by applicable law, the applicable law requirement will satisfy the corresponding requirement under this Note. Rejection or refusal to accept or the inability to deliver because of changed address of which no notice was given shall not alter the effectiveness of the notice, demand, consent or request sent.

24. No Waiver By Lender. Lender may exercise any right under this Mortgage or under any law, even if Lender has delayed in exercising that right or has agreed in an earlier instance not to exercise that right. Lender does not waive its right to declare that I am in default by making payments or incurring expenses on my behalf.

25. Applicable Law and Consent to Jurisdiction. THIS MORTGAGE IS MADE AND DELIVERED IN, AND SHALL BE GOVERNED BY, ENFORCED UNDER AND INTERPRETED

IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW JERSEY. THE BORROWER HEREBY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OF NEW JERSEY. HOWEVER THE BORROWER WILL NOT UNREASONABLY WITHHOLD CONSENT FROM THE LENDER TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW JERSEY SOLELY IN RESPECT OF THE INTERPRETATION AND ENFORCEMENT OF THE PROVISIONS OF THIS MORTGAGE AND OF THE NOTE AND OF ANY OF THE LOAN DOCUMENTS AND OF ANY OTHER DOCUMENT, INSTRUMENT, OR AGREEMENT, EVIDENCING, SECURING OR OTHERWISE RELATING TO THE INDEBTEDNESS EVIDENCED BY THE NOTE, AND HEREBY WAIVES AND AGREES NOT TO ASSERT AS A DEFENSE IN ANY ACTION, SUIT OR PROCEEDING FOR THE INTERPRETATION OR ENFORCEMENT OF THIS MORTGAGE AND/OR THE NOTE AND/OR AND/OR ANY OF THE LOAN DOCUMENTS AND/OR ANY OTHER DOCUMENT, INSTRUMENT, OR AGREEMENT, EVIDENCING, SECURING OR OTHERWISE RELATING TO THE INDEBTEDNESS EVIDENCED BY THE NOTE THAT BORROWER IS NOT SUBJECT THERETO OR THAT SUCH ACTION, SUIT OR PROCEEDING MAY NOT BE BROUGHT OR IS NOT MAINTAINABLE IN SAID COURTS OR THAT BORROWER'S PROPERTY IS EXEMPT OR IMMUNE FROM EXECUTION, THAT THE ACTION, SUIT OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM, OR THAT THE VENUE OF THE ACTION, SUIT OR PROCEEDING IS IMPROPER.

26. No Jury Trial. IN ANY LITIGATION RELATING TO THIS MORTGAGE AND/ OR THE NOTE SECURED BY THIS MORTGAGE AND/OR AND/OR ANY OF THE LOAN DOCUMENTS AND/OR ANY OTHER DOCUMENT, INSTRUMENT, OR AGREEMENT, EVIDENCING, SECURING OR OTHERWISE RELATING TO THE INDEBTEDNESS EVIDENCED BY THE NOTE, THE LENDER AND BORROWER AS MAKER AND MORTGAGOR HEREBY WAIVE THEIR RIGHT TO TRIAL BY JURY. THE PARTIES ACKNOWLEDGE THAT THEY HAVE CONSULTED WITH THEIR RESPECTIVE COUNSEL SPECIFICALLY ON THE RAMIFICATIONS OF WAIVING THE RIGHT TO REQUEST TRIAL BY JURY PRIOR TO AGREEING TO THIS PROVISION.

27. Person Liable. This Mortgage is legally binding upon the Borrower and all who succeed to their responsibilities (such as heirs and executors). The Lender may enforce any of the provisions of the Note and this Mortgage against any one or more of the Borrower who sign this Mortgage.

28. No Oral Changes. This Mortgage can only be changed by an agreement in writing signed by both the Borrower and the Lender.

29. Request For Notice Of Default And Foreclosure Under Superior Mortgages Or Deeds Of Trust. Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien having priority over this Mortgage to give notice to Lender at its address stated on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

30. Assignment of Mortgage. The Note, this Mortgage given on the Property comprising

the Collateral for the Note, along with any or all of the Loan Documents and any other document, instrument, or agreement, evidencing, securing or otherwise relating to the indebtedness evidenced by the Note may be transferred or assigned, in whole or in part, by the Lender to someone else. The Lender or anyone who takes the Note by transfer and who is entitled to receive payments under the Note is called the "Holder" or "Note Holder." The Lender or anyone who takes this Mortgage by transfer and who is entitled to receive payments under this Mortgage is called the "Mortgagee".

a. The rights and remedies given in this Mortgage to the Lender are also given to the Holder or Note Holder as Mortgagee.

b. The rights and remedies given to the Lender in the Note, the Loan Documents and any other document, instrument, or agreement, evidencing, securing or otherwise relating to the indebtedness evidenced by the Note are also given to the Holder or Note Holder as Mortgagee.

c. Borrower and Guarantors understand and agree that Borrower and Guarantors will remain liable on the Note, jointly and severally, until it is paid in full.

31. **Grammar.** Throughout this Note the masculine, the feminine and the neuter shall be interchangeable, the singular and the plural shall be interchangeable, unless the context of this Note indicates otherwise; and the word "may" gives sole discretion without any obligation to take any action.

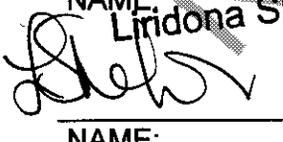
32. **Copy Received. BORROWER ACKNOWLEDGES RECEIPT OF A TRUE COPY OF THIS MORTGAGE WITHOUT CHARGE.**

33. **Signatures.** Borrower agrees to the terms of this Mortgage.

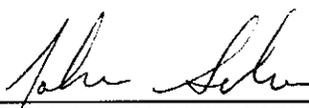
Witnessed or Attested by:


NAME:
Liridona Sheholli


NAME:
Liridona Sheholli


NAME:
Liridona Sheholli

BORROWER:

BY:  (LS)
JOHN SOLAN, MANAGING MEMBER
JOHN & NEIL DEVELOPMENT, LLC

GUARANTORS:

BY:  (LS)
JOHN SOLAN, INDIVIDUALLY

BY:  (LS)
NEIL JEROME, INDIVIDUALLY

STATE OF NEW JERSEY :

SS:

COUNTY OF PASSAIC:

BE IT REMEMBERED that on April 26, 2017, before me, JOHN SOLAN AND NEIL JEROME, are the Sole Members of the Limited Liability Company, personally appeared, individually, and on behalf of JOHN & NEIL DEVELOPMENT, LLC acknowledged under oath, to my satisfaction that John Solan and Neil Jerome:

- (a) they are the makers of the attached instrument;
- (b) they are the Sole Members of the Limited Liability Company; and
- (c) they were authorized and did execute this instrument individually as Borrower and/or Guarantors, respectively, of this Mortgage;



NOTARY:

LIRIDONA SHEHOLLI

NOTARY PUBLIC

STATE OF NEW JERSEY

ID # 2356338

MY COMMISSION EXPIRES FEB. 1, 2022

NOT CERTIFIED COPY

WESTCOR LAND TITLE INSURANCE COMPANY

SCHEDULE C LEGAL DESCRIPTION

File No.: **FT-10378**

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Ringwood, in the County of Passaic, State of New Jersey:

BEGINNING at a point on the Northerly side of Upper Lakeview Avenue, distant North 86 degrees 39 minutes 01 seconds East 508.16 feet and also along the Northerly side of said Avenue on an arc of a curve to the left of radius 823.04 feet, a distance of 266.28 feet from the intersection of the prolongation of the Northerly side of Upper Lakeview Avenue with the prolongation of the Easterly side of Pequot Road; thence

1. North 21 degrees 53 minutes 13 seconds West a distance of 116 feet more or less to the flow line of Upper Lake; thence
2. Starting again at the point or place of BEGINNING and running thence Easterly along the Northerly side of Upper Lakeview Avenue on an arc of a curve to the left of radius of 823.04 feet, a distance of 82.50 feet; thence
3. North 27 degrees 37 minutes 47 seconds West a distance of 110.00 feet more or less to the flow line of Upper Lake; thence
4. Westerly along the flow line of Upper Lake a distance of 71 feet more or less to the first described point on said flow line.

NOTE: Lot and Block shown for informational purposes only.

NOT CERTIFIED COPY