

WRAP AROUND MORTGAGE

This Mortgage effective as of the 14th day of July, 1980, between SHELBY PARTNERS, a Pennsylvania Limited Partnership, having its principal office at 300 Delaware Avenue, Suite 1100, Wilmington, Delaware, hereinafter called "Mortgagor", and FDI INVESTMENT CORPORATION, whose address is 300 Delaware Avenue, Suite 1100, Wilmington, Delaware, hereinafter called "Mortgagee".

W I T N E S S E T H :

That in order to secure the payment of the indebtedness hereinafter referred to and the performance of the obligations, covenants, agreements and undertakings of Mortgagor hereinafter described, does hereby mortgage to the Mortgagee all of its right, title and interest in the real property situated in Shelby County, Alabama, described in Exhibit A attached hereto and made a part hereof, together with Mortgagor's interest in (i) all buildings and improvements now on or that may be placed hereafter on said land during the existence of this lien, leased or owned by the Mortgagor and all the income, rents, issues and profits arising therefrom and for use thereof; (ii) all materials, equipment, furnishings or other property whatsoever, installed or to be installed and used in and about the building or buildings on said land for the purposes for which said buildings or building were or are to be erected, including, but not limited to all heating, plumbing, lighting, water heating, cooking, refrigerating, incinerating, ventilating and air conditioning equipment, fixtures and appurtenances, all engines and machinery, all elevators and motors, all window screens, screen doors, storm windows and awnings, pipes, wires and plumbing, not only including such property

now located on the Mortgaged Properties (as hereinafter defined), but all replacements and additions to the same, all of which property and things are hereby declared to be permanent accessions to the freehold and part of the realty conveyed herein as security for the indebtedness herein mentioned; (iii) all lease agreements now or at any time hereafter covering or affecting said land; (iv) all easements and rights of way used in connection with said land or as a means of ingress to or egress from said land.

TO HAVE AND TO HOLD the foregoing properties (herein called the "Mortgage Properties"), together with all rights, estates, powers and privileges appurtenant or incident thereto, unto the Mortgagee and their successors or substitutes in this Mortgage and to their successors and assigns, with mortgage covenants, subject only to those encumbrances specifically set forth herein.

NOW, THEREFORE, the Mortgagor further covenants with the Mortgagee and its successors or assigns as follows:

1. This Wrap Around Mortgage is made to secure and enforce the payment of the following note, obligations, indebtedness and liabilities: (a) one certain Promissory Note of even date herewith in the face amount of Four Million, Seventy Thousand One Hundred Eighteen (\$4,070,118.00) Dollars, consisting of a principal portion in the amount of \$1,501,000.00 and an interest portion in the amount of \$2,569,118.00, made by Mortgagor and payable to the order of the Mortgagee, both principal and interest being payable as therein provided and all amounts remaining unpaid thereon being finally due and payable on December 31, 1999 and containing a provision for the payment of a reasonable additional amount as attorneys' fees, and all other notes given in substitution therefor or in renewal and extension thereof, in whole or in part, such note and all other notes given in substitution, renewal or extensions thereof, in whole or in part, being hereinafter called the "Note", and said payee and all subsequent mortgagees of the Note or any part thereof or any interest therein and

any of the "secured indebtedness" (as hereinafter defined) being hereinafter called the "Mortgagee"; and (b) all indebtedness incurred or arising pursuant to the provisions of this Wrap Around Mortgage or any other instrument securing the payment of the Note.

The indebtedness referred to in subheadings (a) and (b) hereof is hereinafter sometimes referred to as the "secured indebtedness" or the "indebtedness secured hereby".

2. To keep protected and in good order, repair and condition at all times the buildings and improvements now standing or hereafter erected or placed upon the Mortgaged Properties and any and all appurtenances, apparatus and articles of personal property, now or hereafter owned or leased by Mortgagor and located in the Mortgaged Properties, including but not limited to furniture, furnishings, and equipment now or hereafter in or attached to or used in connection with said buildings or improvements, promptly replacing any of the aforesaid real and personal property which may become lost, destroyed or unsuitable for use, and will keep insured the aforesaid real and personal property, and the interests and liabilities incident to the ownership thereof in the same amounts, of the same types and with such endorsements as the mortgagee under the mortgage dated December 29, 1977, as corrected by a correction mortgage recorded in Book 377 Page 647 both by Shelby Mart, Ltd. to The First National Bank of Birmingham as assigned to Liberty National Life Insurance Company in Misc. Volume 29, page 346 Shelby County, Alabama (collectively together with all subsequent amendments and modifications, the "First Mortgage"), that all insurance policies are to be held by and, to the extent of its interest, are to be for the benefit of and first payable in case of loss to the Mortgagee, subject to any contrary provisions of the First Mortgage, the Second Mortgage (as herein defined) and a lease dated July 21, 1977 between Shelby Mart, Ltd. and Winn-Dixie Montgomery Inc., a lease dated August 10, 1977 between Shelby Mart, Ltd. and

BOOK 408 PAGE 159

Bookerts Alabama, Inc. and a lease dated October 31, 1978 between Shelby Mart, Ltd. and Pick N'Pay Shoes of Alabama, Inc. (which leases, as amended, together with all subsequent modifications, renewals and amendments thereof are hereinafter collectively referred to as the "Leases"). Mortgagor agrees to pay the amount of all such premiums to the Mortgagee in accordance with the provisions of paragraph 10 hereof. Mortgagor shall deliver to the Mortgagee a new policy as replacement for any expiring policy at least fifteen days before the date of such expiration; that all amounts recoverable under any policy are payable in accordance with the provisions of the First Mortgage or the purchase money mortgage dated July 14, 1980 by Mortgagee hereunder held by Shelby Mart, Ltd. (the "Second Mortgage") (the First Mortgage and Second Mortgage being collectively referred to as the "First Mortgages") and in the event the First Mortgage(s) have been terminated or otherwise extinguished, are hereby assigned to the Mortgagee and in the event of a loss the amount collected may, at the option of the Mortgagee, be used in any one or more of the following ways: (1) applied upon the indebtedness secured hereby whether such indebtedness be then matured or unmatured; (2) used to fulfill any of the covenants contained herein as the Mortgagee may determine; (3) used to replace or restore the Mortgaged Properties to a condition satisfactory to the Mortgagee; (4) released to the Mortgagor. The Mortgagee is hereby irrevocably appointed by the Mortgagor as attorney-in-fact of the Mortgagor to assign any policy in the event of the foreclosure of this instrument or other similar extinguishment of the indebtedness secured hereby.

3. Mortgagor will not commit or suffer any strip or waste of the Mortgaged Properties nor any violation of any law, regulation or ordinance affecting the Mortgaged Properties and will not commit or suffer any demolition, removal or material alterations of any of the buildings or improvements (including fixtures), on the Mortgaged Proper-

ties without the written consent of the Mortgagee, except for such demolition, removal or material alterations of the Mortgaged Properties as may be permitted the under the Leases.

4. Mortgagor will pay to the Mortgagee in monthly installments due in full one calendar month before the same shall become payable before same shall become delinquent or any penalty attached thereto for nonpayment, all taxes, assessments and charges of every nature and to whomever assessed that may now or hereafter be levied or assessed upon the Mortgaged Properties or any part thereof upon the rents, issues, income or profits thereof, whether any or all of said taxes, assessments or charges be levied directly or indirectly or as excise taxes or as income taxes, (all of the foregoing being jointly referred to as "Impositions") except to the extent that such Impositions are to be paid by the lessee under the Leases, ("Excluded Impositions"); (the Impositions remaining after deduction of the Excluded Impositions herein referred to as the "Maker Impositions") provided that the aforesaid Leases are then in full force and effect, and to submit to the Mortgagee such evidence of the due and punctual payment of Excluded Impositions as the Mortgagee reasonably may require.

5. If the Mortgagor shall neglect or refuse to keep in good repair the Mortgaged Properties referred to in paragraph 2, to replace the same as therein agreed, to maintain and pay the premiums for insurance which may be required under paragraph 2 or to pay and discharge all taxes of whatsoever nature, assessments and charges of every nature and to whomever assessed, as provided for in paragraph 4, the Mortgagee may, at its election, cause such repairs or replacements to be made, obtain such insurance or pay such taxes, assessments and charges and any amounts paid as a result thereof together with interest thereon at the rate of 6% per annum from the date of payment, shall be immediately due and payable by the Mortgagor to the Mortgagee, and until

paid shall be added to and become a part of the principal debt secured hereby, and the same may be collected as a part of the principal debt in any suit hereon or upon the Note.

6. The Mortgagor agrees that any and all award and awards heretofore made and hereafter to be made to it by reason of the exercise of the right of eminent domain, by any one or any authority having such right, including any award or awards whether for a taking of title or possession and any award or awards for any change or changes of grade of streets affecting such premises are, subject to any contrary provision of the Leases or the First Mortgages, hereby assigned to the Mortgagee and the Mortgagee, at its option, is hereby authorized, directed and empowered to collect and receive the proceeds of any such award and awards from the authorities or parties making the same, and to give proper receipts and acquittances therefor, and may, at the Mortgagee's election: (i) apply the same or any part thereof upon the indebtedness secured hereby, whether such indebtedness then be matured or unmatured; or, (ii) use the same or any part thereof to fulfill any of the covenants contained herein as the Mortgagee may determine; or (iii) use the same or any part thereof to replace or restore the property to a condition satisfactory to the Mortgagee; or (iv) release the same or any part thereof to the Mortgagor; and the Mortgagor hereby covenants and agrees to and with the Mortgagee, upon request by the Mortgagee, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid award and awards to the Mortgagee free, clear and discharged of any and all encumbrances of any kind and nature whatsoever.

7. That if any action or proceeding be commenced, excepting an action to foreclose this instrument or to collect the indebtedness hereby secured, to which action or proceeding the Mortgagee is made a party by reason of the execution of this instrument or the Note which it secures, or in which the Mortgagee deems it necessary to defend,

uphold or assert the lien of this instrument or the priority thereof or possession of the Mortgaged Properties, all sums reasonably paid by the Mortgagee for expenses, including attorneys' fees, incurred in any such action or proceeding shall be repaid by the Mortgagor, together with interest thereon from date of payment at 6% per annum, and any such sum and the interest thereon shall be immediately due and payable, and shall be secured hereby with the benefit of the lien hereby created and of its priority.

8. No forbearance on the part of the Mortgagee or its assigns and no extension of the time for the payment of the debt hereby secured given by the Mortgagor or its assigns shall operate to release, discharge, modify, change or affect the original liability of the Mortgagor herein either in whole or in part.

9. That Mortgagor will pay all sums, the failure to pay which may result in the acquisition of a lien prior to the lien of this instrument, before such a prior lien may attach.

10. The Mortgagor agrees that it will pay to the Mortgagee, to the extent requested by the Mortgagee, on dates upon which interest is payable, such amounts as the Mortgagee from time to time reasonably estimates as necessary to create and maintain a reserve fund (the "Reserve Fund") from which to pay one month before the same become due, all Maker Impositions, liens and charges on or against the Mortgage Properties required to be paid by Mortgagor pursuant to the terms hereof, and premiums for insurance as are herein covenanted to be furnished by the Mortgagor. Payments from the Reserve Fund for such purposes may be made by the Mortgagee at its discretion even though subsequent owners of the property described herein may benefit thereby. In the event of any default under the terms of this instrument, any part or all of the Reserve Fund may be applied to any part of the indebtedness hereby secured and in refunding any part of the Reserve Fund, the Mortgagee may deal with whomever is

represented to be the owner or owners of the Mortgaged Properties at that time.

11. In order to further secure the debt secured by this instrument, the Mortgagor hereby assigns to Mortgagee all of the right, title, interest, estates and benefits whatsoever of Mortgagor under the Leases, and the other leases listed on Schedule ____ attached hereto, as they are from time to time hereinafter modified, extended or renewed, subject however to the assignment of the lease between Shelby Mart, Ltd., a predecessor-in-interest of Mortgagor ("Shelby"), and Winn-Dixie Montgomery Inc., dated July 21, 1977, to the First National Bank of Birmingham and the assignment of the lease between Shelby and Eckerts Alabama, Inc., dated August 10, 1977, to The First National Bank of Birmingham as assigned, to Liberty National Life Insurance Company in Misc. Volume 29, page 348.

12. In any action brought to enforce the obligation of the Mortgagor to pay the indebtedness evidenced by the Note or to enforce the obligation of the Mortgagor to pay any indebtedness or obligation created or arising under this instrument, the judgment or decree shall be enforceable against Mortgagor only to the extent of the Mortgagor's interest in the Mortgaged Properties and any other security given to secure the Note, and any such judgment shall not be subject to execution on, nor be a lien on, assets of the Mortgagor or any partner or member thereof other than upon their interests in the Mortgaged Properties and to any other security given to secure the Note. Mortgagee hereby waives any rights to a deficiency judgment against the Mortgagor.

13. All of the grants, covenants, terms, provisions and conditions herein shall run with the land and shall apply to, bind and inure to the benefit of, the successors and assigns of the Mortgagor and the successors and assigns of the Mortgagee.

14. In the event for any reason whatsoever, any payment by or act of the Mortgagor pursuant to the terms

hereof or pursuant to any requirement of any provision hereof or pursuant to the Note shall result in payment of interest which would exceed the limit authorized by or be in violation of the law of the State of Alabama then ipso facto the obligation of the Mortgagor to pay interest or perform such act or requirement shall be reduced to the limit authorized under such law, so that in no event shall the Mortgagor be obligated to pay any interest, perform any act, or be bound by any requirement which would result in payment of interest in excess of the limit so authorized. The provisions of this paragraph shall control every other provision of this instrument.

15. (a) This instrument is subject and subordinate to The First Mortgage which mortgage constitutes a first lien upon the Mortgaged Properties and the Second Mortgage which mortgage constitutes a second lien upon the mortgaged properties.

(b) This instrument is and shall remain subject and subordinate to the First Mortgages and to any Subsequent First Mortgages(s) (as hereinafter defined).

(c) As used herein, "Deposits" shall mean all deposits, if any, for real estate taxes, water rates, sewer charges, insurance premiums and the like required to be made under this instrument, the First Mortgages, or any Subsequent First Mortgage(s).

(d) Mortgagor covenants and agrees to comply with, observe and perform all of the terms, covenants, provisions and conditions of the First Mortgages or Subsequent First Mortgage(s) except for those terms, covenants, provisions and conditions requiring the payment of principal, interest, or Deposits thereunder.

(e) Any provision of this instrument or the Note to the contrary notwithstanding, any insurance proceeds or condemnation proceeds received by Mortgagor or Mortgagee shall be applied first in the manner required by the Leases and secondly as required by the First Mortgages; in accord

with that certain Declaration of Restrictions and Easements dated December 29, 1977 made by Alpha Partnership, Ltd. and recorded in the County Clerk, Shelby County, in Deed Book 309, Page 676 (together with all subsequent amendments and modifications thereof, collectively referred to as the "Declaration"); to the extent inconsistent with the Leases; and then, to the extent any proceeds remain unexpended, as set forth in this instrument.

(f) Any provision of this instrument to the contrary notwithstanding, to the extent that the lessee under the Leases provide or purchase any insurance policies, or self-insures in lieu of such policies, Mortgagor, will be relieved of the obligation of obtaining such insurance policies to the extent permitted under and First Mortgages or Subsequent First Mortgage(s).

(g) Anything contained herein to the contrary, notwithstanding, to the extent that the mortgagee of the First Mortgages or Subsequent First Mortgage(s) does not require Deposits, the Mortgagee shall not require Mortgagor to pay any Deposits under this Wrap Around Mortgage.

16. Subject to the conditions set forth below in subparagraphs (a) through (i), the Mortgagee may from time to time "refinance" either of the First Mortgages or both and/or place additional mortgages/deeds of trust on the Mortgaged Properties (either or both the First Mortgages as "refinanced" and all other additional deed of trust/mortgages are collectively referred to hereinafter as the "Subsequent First Mortgage(s)"). As used herein, "refinance" shall mean extend, replace, increase, refinance, consolidate (including, without limitation, a consolidation with this Wrap Around Mortgage) the First Mortgage(s) or any Subsequent First Mortgage(s). Mortgagee may not, however, place any deed of trust or mortgage upon the Mortgaged Properties which does not constitute a first mortgage or which is subordinate to the First Mortgages or Subsequent First Mortgage(s). Mortgagor must prepay the First Mortgages and/or Subsequent First Mortgage(s) in

whole, together with any applicable prepayment charge thereunder, upon maturity of this Mortgage on December 31, 1999.

(a) Proceeds from any such refinancing in excess of the unpaid principal balance of the mortgage being refinanced are payable to the Mortgagee hereunder, subject to the terms and conditions herein contained subject to any contrary provisions in the First Mortgage(s), in the event the First Mortgage(s) is/are being "refinanced". However, a portion of the refinance proceeds paid to the Mortgagee sufficient to pay a "Balloon" (as hereinafter defined), if any, due on any Subsequent First Mortgage(s), shall be paid to the Mortgagor hereof to be held in trust by Mortgagor for the purpose of paying any such Balloon when same becomes due and payable. "Balloon" is hereby defined as any amount(s) of outstanding principal then payable with respect to any Subsequent First Mortgage(s) as of the maturity date thereof. In the event refinancing result(s) in a decrease in the aggregate First Mortgage and/or Subsequent First Mortgage payments payable by the Mortgagee, the amount of such decrease shall be a credit in their aggregates against, and applied to, in inverse order of their maturity, amounts payable by Mortgagor to Mortgagee hereunder.

(b) The aggregate monthly charges for interest, amortization, and Deposits with respect to the First Mortgages and/or Subsequent First Mortgage(s) shall not at any time exceed the aggregate monthly charges for interest, amortization and Deposits then payable under this Wrap Around Mortgage, and the Subsequent First Mortgage(s) shall not amortize in such a manner that the aggregate unpaid principal balance thereof shall at any time be greater than the unpaid principal balance of this Wrap Around Mortgage.

(c) The maturity date of any Subsequent First Mortgage(s) shall not extend beyond the maturity date of this Wrap Around Mortgage, and any Subsequent First Mortgage(s) shall provide for notice of any default thereunder to be given to Mortgagor.

(d) The Mortgagee shall pay all expenses necessary to consummate the closing of any Subsequent First Mortgage.

(e) All of the terms, covenants and conditions including by way of example but not by way of limitation, prepayment and default provisions (including grace periods), of the Subsequent First Mortgage(s) shall be no more onerous than those contained herein or in the existing First Mortgage.

(f) If the proceeds of any Subsequent First Mortgage are insufficient to pay, to the holder of the mortgage being refinanced, the unpaid principal balance, plus interest and premium, if any, then due such mortgagee, such deficiency shall be paid in full by Mortgagee.

(g) The aggregate unpaid principal amount of the Subsequent First Mortgage(s) and the First Mortgage(s) not being refinanced, if any, shall not at any time exceed the then unpaid principal amount of the Note, plus accrued and unpaid interest thereon, if any.

(h) The Subsequent First Mortgagee(s) may not receive any interest in the property not held by the present holder of the First Mortgage(s).

(i) Any and all refinancing shall be done with a commercial or savings bank, trust company, savings and loan association, insurance company, pension fund, real estate investment trust and/or any comparable institution.

Mortgagor agrees to execute, acknowledge and deliver, promptly and without charge, any and all commitments, notes, mortgages, assignments, consents, deeds and other documents which Mortgagee deems necessary to effectuate a refinancing meeting the requirements of this paragraph 16, including without limitation a deed or deeds to an inactive (dummy) corporation satisfactory to the Mortgagee for the sole purpose of having said corporation execute such document and a deed or deeds from said corporation back to Mortgagor. Such documents shall provide for exculpation of Mortgagor from all personal liability with respect to the transactions

contemplated therein. Upon Mortgagor's or such inactive corporation's failure to execute such documents within thirty (30) days of Mortgagee's written request to Mortgagor therefor, the whole of the principal and interest payable hereunder shall become due at the option of the Mortgagee.

17. This is a purchase money mortgage delivered by Mortgagor to Mortgagee as part of the consideration for the conveyance of its fee interest in the Mortgaged Properties the deed evidencing said conveyance being intended to be recorded simultaneously herewith.

18. Without limiting any of the Mortgagor's rights elsewhere provided in this Wrap Around Mortgage, Mortgagor agrees not to place any mortgage(s) (collectively, the "Future Mortgage") on the Mortgaged Premises unless the Future Mortgage expressly provides that (a) said Future Mortgage is subject and subordinate to all of the terms, provisions and conditions of this instrument, including without limitation (i) the provisions of paragraph (16) hereof; (ii) the lien of this instrument, and (iii) any extensions, renewals and modifications of this instrument; (b) if any action or proceeding shall be brought to foreclose the Future Mortgage, no tenant of any portion of the Mortgage Properties shall be named as a party defendant in any such foreclosure action or proceeding nor shall any other action be taken with respect to any tenant of any portion of the Mortgaged Properties the effect of which would be to terminate any occupancy or lease of any portion of the Mortgaged Properties without the consent of the Mortgagee; (c) if any action or proceeding shall be brought to foreclose the Future Mortgage, no portion of the rents, issues and profits of the Mortgaged Properties shall be collected except through a receiver appointed by the Court in which such foreclosure action or proceeding is brought, after due notice of the application for the appointment of such receiver shall have been given to the Mortgagee hereof; and the rents, issues and profits so collected by such

receiver shall be applied first to the payment of all necessary costs and expenses incident to such foreclosure action including but not limited to all reasonable court costs and charges of every character in the event foreclosed by suit, and a reasonable fee to the receiver as determined by the court, then to the payment of maintenance and operating charges and disbursements incurred in connection with the operation and maintenance of the Mortgaged Properties, and then to the payment of principal and interest due and owing on, or to become due and owing on this Wrap Around Mortgage; and if during the pendency of any such foreclosure action or proceeding, an action or proceeding shall be brought by the Mortgagee for the foreclosure of this Wrap Around Mortgage and an application shall be made for an extension of such receivership for the benefit of the Mortgagee hereof, all such rents, issues and profits held by such receiver as of the date of such application shall be applied by the receiver solely for the benefit of the Mortgagee hereof except as set forth above and the mortgagee of the Future Mortgage shall not be entitled to any portion thereof; (d) if an action or proceeding shall be brought to foreclose the Future Mortgage, due notice of the commencement thereof shall be given to the Mortgagee hereof and true copies of all papers served or entered in such action or proceeding shall be served upon the Mortgagee hereof; (e) in the event the Mortgagee hereof shall, for the purposes of restoration of all or any part of the improvements on or within the Mortgaged Properties, release its right, title and interest in and to the proceeds under policies of insurance thereon, and/or in and to any awards, or in and to other compensation, made for any damages, losses or compensation for other rights by reason of a taking in eminent domain, the mortgagee of the Future Mortgage shall likewise for such purpose, release all of its right, title and interest, if any, in and to all such insurance proceeds or awards; (f) the mortgagee of the Future Mortgage shall be required to give a nondisturbance agreement to any

BOOK 408 PAGE 170

lessee or tenant with respect to which the Mortgagee hereof shall have executed a similar non-disturbance agreement; (g) said Future Mortgage shall be subject and subordinate to the terms, provisions and conditions and the lien of any Subsequent First Mortgage(s), whether or not the Subsequent First Mortgage(s) is/are in existence at the time of the execution of said Future Mortgage, and to any extensions, renewals and modifications of the Subsequent First Mortgage(s); (h) to further evidence the subordinations referred to, the Mortgagee of said Future Mortgage agrees that, within ten (10) days after request by the Mortgagee hereof, it will do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances and instruments as the Mortgagee hereof may request for the better assuring and evidencing of the foregoing subordinations; and (i) all of the foregoing provisions are for the express benefit of the Mortgagee; Mortgagor's failure to include the foregoing provisions in any Future Mortgage, or the failure of the holder of any Future Mortgage, to execute any of the documents called for in (h) above, shall make such Future Mortgage void and of no force or effect and the whole of the principal sum and interest secured hereby shall become due at the option of the Mortgagee.

19. Mortgagee shall have the right, at any time, at its sole and exclusive option, to prepay in whole or acquire by assignment the whole of the First Mortgage(s) or any Subsequent First Mortgage(s) and the Mortgagee shall be subrogated, to the extent of such payment, to the lien of such mortgage(s). Mortgagee shall also be and hereby is subrogated to the powers, rights, remedies and lien of the Mortgagee of the First Mortgages or mortgagee of the Subsequent First Mortgage(s), to the extent of all amounts paid or advanced by the Mortgagee hereof which are used directly or indirectly to reduce, pay off, discharge or satisfy, in whole or in part, any part of the indebtedness secured by the First Mortgages or Subsequent First Mortgage(s). In no

event, however, shall the lien hereof (including all liens to which Mortgagee is subrogated) exceed the unpaid principal balance hereof together with accrued interest thereon.

20. In the event the Mortgagor should exercise its right of prepayment in accordance with the terms hereof, Mortgagee shall pay and discharge the First Mortgages and any Subsequent First Mortgage(s) then a lien on the Mortgaged Properties to the extent of such prepayment. In the event that the aforesaid payment by Mortgagee satisfies the First Mortgage(s) and any Subsequent First Mortgage(s) in full, then upon payment by Mortgagor to Mortgagee of all sums required to be paid by Mortgagor in connection with a prepayment hereof, Mortgagee shall deliver or cause to be delivered to Mortgagor satisfactions or release(s) of the First Mortgage(s) and all Subsequent First Mortgage(s) at no cost or expense to Mortgagor.

21. Subject to the following terms and conditions of this paragraph 21, Mortgagor shall have the right to prepay the Note in whole or in part at any time when the First Mortgage(s) and/or Subsequent First Mortgage(s) is prepayable. (A) In the event of a prepayment in whole of the outstanding principal balance of the Note by Mortgagor, Mortgagor shall additionally pay to Mortgagee an amount equal to the sum of (i) all unpaid and accrued interest due on the Note; (ii) the amount of any prepayment penalty or charge due on the First Mortgage(s) and/or Subsequent First Mortgage(s). (B) Mortgagor may make partial payments of the Note upon payment of the following sums: (i) such amount(s) as may be permissibly applied to a whole or partial prepayment of the First Mortgage(s) and/or Subsequent First Mortgage(s); (ii) all accrued and unpaid interest on the First Mortgage(s) or the Subsequent First Mortgage(s); (iii) the amount of any prepayment penalty or charge due on the First Mortgage(s) and/or Subsequent First Mortgage(s); (iv) all accrued and unpaid interest due on the Note; and (v) an amount equal to two percent (2%) of the amount of such prepayment that is

applied in reduction of the outstanding principal balance of the Note; in accordance with the provisions of paragraphs 20 and 22 hereof.

22. In the event that the unpaid principal balance(s) of the First Mortgage(s) and/or Subsequent First Mortgage(s) are reduced on account of receipt of insurance proceeds, condemnation awards, or prepayments (made with the prior written consent of Mortgagee), so that the obligations of Mortgagee hereunder to pay, to the holder(s) of the First Mortgage(s) and/or Subsequent First Mortgage(s), the unpaid principal balance(s) thereof are similarly reduced (the "Reduction"), then and in such event, Mortgagor agrees that Mortgagor's obligation hereunder to pay the indebtedness evidenced by the Note shall be automatically reduced by the amount of the Reduction; the Reduction shall be applied against all payments due hereunder in the inverse order of their due date.

23. Mortgagor and the Mortgagee shall furnish to each other, within five (5) days after receipt thereof, copies of all notices of default which the mortgagee(s) of or trustee(s) under the First Mortgage(s) or Subsequent First Mortgage(s) or Future Mortgage shall give to either of them, or which either of them shall give to or receive from tenants of the Mortgaged Properties or any part or parts thereof based upon the occurrence or alleged occurrence of any default or defaults in the performance of leases of tenants occupying any portion of the Mortgaged Properties.

24. Mortgagor does herewith irrevocably appoint and constitute Mortgagee as its true and lawful attorney-in-fact in its name, place and stead to perform and comply with all obligations of the Mortgagor under the First Mortgages and/or any Subsequent First Mortgages, without relying on any grace period provided therein, to do and take, without obligation to do so, any action as Mortgagee deems necessary or desirable to prevent or cure any default by the Mortgagor under the First Mortgages and/or any Subsequent First Mort-

gages or to perform or complete any obligation of the Mortgagor pursuant thereto. Mortgagor shall, within five (5) days after written request is made therefor by Mortgagee, execute and deliver to Mortgagee or to any person which Mortgagee shall designate, such further instruments, agreements, powers, deeds, conveyances, assignments, mortgages or the like as may be necessary to complete or perfect the interest, rights or powers of the mortgagee(s) of the First Mortgages or Subsequent First Mortgages pursuant to this paragraph 24 or as may reasonably be required by Mortgagee.

25. As a special inducement to Mortgagee to accept this Wrap Around Mortgage, Mortgagor hereby covenants and agrees to and with the Mortgagee, that Mortgagor shall not in any manner whatsoever acquire or purchase all or any portion of the First Mortgages and/or any Subsequent First Mortgages without first obtaining the Mortgagee's prior written consent thereto.

26. Upon the acceleration of the maturity of the First Mortgage(s) and/or Subsequent First Mortgage(s) for any reason other than Mortgagee's default hereunder, all of the indebtedness secured hereby shall, at the option of Mortgagee, become immediately due and payable without notice or demand.

27. Except as permitted herein, neither Mortgagee nor Mortgagor shall, without the prior written consent of the other, modify, change or extend the terms of the First Mortgages and/or Subsequent First Mortgages or the note(s) secured thereby.

28. An Event of Default shall not be deemed to have occurred under this instrument or the Note unless and until:

(a) In the case of a failure by Mortgagor to make any payment required hereunder; and

(b) In the case of the failure by Mortgagor to do any other act required hereunder, Mortgagee shall have given Mortgagor written notice of such default and Mortgagor

shall not have cured such default on or before the expiration of twenty-five (25) days after the giving of such notice unless the Mortgagee hereunder shall agree in writing to any extension of such time prior to its expiration.

29. Notice by any of the parties hereto to any other party shall be deemed to be given when either:

(a) Delivered by hand to the party to whom such notice is addressed.

(b) Upon receipt, if sent by certified or registered mail, postage prepaid, return receipt requested, addressed to the party to whom such notice is sent at the address first above given.

30. The occurrence of an event of default under the First Mortgage(s) (as therein defined) except for an event of default arising due to any failure to make timely payments of principal and interest, shall be and constitute a default by Mortgagor hereunder.

31. In the event that Mortgagee assigns its interest herein other than to Central National Bank, such assignment shall be null and void unless such assignment expressly provides that all rights and obligations of the Mortgagee hereof shall remain and continue to be the rights and obligations of FDI Investment Corporation. All obligations of the Mortgagee thereafter, are to be assigned in writing, executed by the assignee and a copy thereof delivered to the Mortgagor.

32. Upon the occurrence of an Event of Default, the Mortgagee shall have the option of declaring all secured indebtedness in its entirety to be immediately due and payable, and the liens and security interests evidenced hereby shall be subject to foreclosure in any manner provided for herein or provided for by law as the Mortgagee may elect.

33. Upon the occurrence of a default not cured within the applicable grace period, if any, indicated in paragraph 28 hereof, the Mortgagee may proceed to protect

and enforce its rights under the laws of the State of Alabama by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper, legal or equitable remedy, including without limitation foreclosure and the sale of the Mortgaged Properties. The Mortgagee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Mortgagor for principal of, and interest on this Mortgage or otherwise under any of the provisions of this Mortgage then unpaid, together with any and all costs and expenses of collection and of all proceedings hereunder, without prejudice to any other right or remedy of the Mortgagee, and to recover and enforce any judgment or decree against the Mortgagor, but solely as provided herein for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect in any manner provided by law, the moneys adjudged or decreed to be payable.

34. If then permitted by law, the Mortgagee either personally or by its agents or attorneys, in its discretion may enter into and upon and take and hold possession of the Mortgaged Properties, and may exclude the Mortgagor and any successor lessee or operator thereof and their agents and servants and all other persons or corporations wholly therefrom and may use, manage and control the Mortgaged Properties. Upon every such entry the Mortgagee, if then permitted by law may maintain and restore and insure and keep insured the Mortgaged Properties and make all necessary repairs, renewals, replacements, alterations, additions, betterments and improvements, as it may deem judicious. The Mortgagee, in case of such entry, shall have the right to manage the Mortgaged Properties and exercise all the rights and powers of the Mortgagor in the name of the Mortgagor or

otherwise, as the Mortgagee shall deem best, and shall be entitled to collect, take and receive all income of the Mortgaged Properties.

35. Upon the occurrence and continuance of an Event of Default and upon the filing of a suit or commencement of other judicial proceedings to enforce the rights of the Mortgagee under this Mortgage, the Mortgagee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Mortgaged Properties and of the revenues and receipts thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

36. The proceeds of any sale held by any receiver or public officer in foreclosure of the liens evidenced hereby shall be applied unless otherwise required by law:

FIRST, to the payment of all necessary costs and expenses incident to such foreclosure sale, including but not limited to all court costs and charges of every character in the event foreclosed by suit, and a reasonable fee to the receiver as determined by the court;

SECOND, to the payment in full of the secured indebtedness in such order as the Mortgagee may elect; and

THIRD, the remainder, if any, shall be paid to Mortgagor or to Mortgagor's successors or assigns.

37. The Note and all other secured indebtedness which may be owing hereunder at any time by Mortgagor shall be payable at the office of the Mortgagee, 300 Delaware Avenue, Suite 1100, Wilmington, Delaware, or at such other place as Mortgagee may from time to time designate in writing.

38. If any part of the secured indebtedness cannot be lawfully secured by this Mortgage or if any part of the Mortgaged Properties cannot be lawfully subject to the lien hereof to the full extent of such indebtedness, then all payments made shall be applied on said indebtedness first in discharge of that portion thereof which is unsecured by this Mortgage.

39. This Mortgage may be executed in numerous counterparts, all of which are identical and each of which shall be deemed an original, and all counterparts together shall constitute one and the same instrument.

Notwithstanding anything to the contrary provided for herein the parties agree that this instrument and any lease affecting the Mortgaged Properties or any leasehold estate and fee estate shall at no time and in no event merge by operation of law or otherwise, but shall remain separate and distinct.

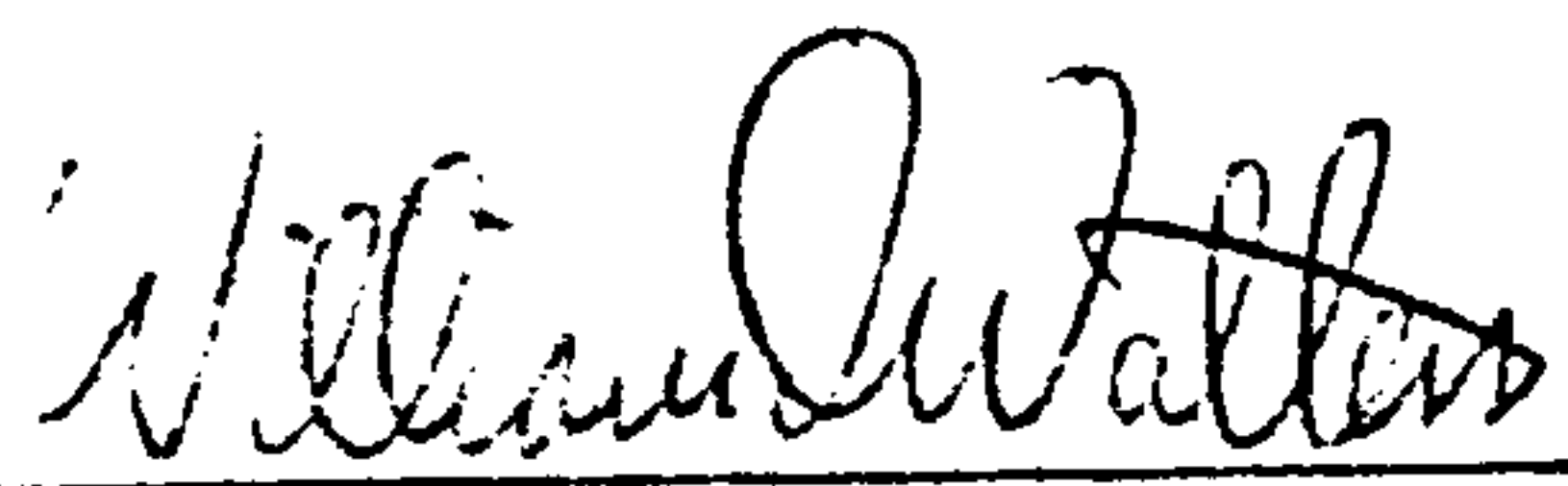
Whenever the word "Mortgagor" is used in this instrument, it is intended by the undersigned to refer to and include Mortgagor's successors and assigns, including any subsequent purchasers or transferees of the Mortgaged Premises, and it is further agreed that whenever the word "Mortgagee" is used in this instrument it is intended to include the Mortgagee's successors and assigns.

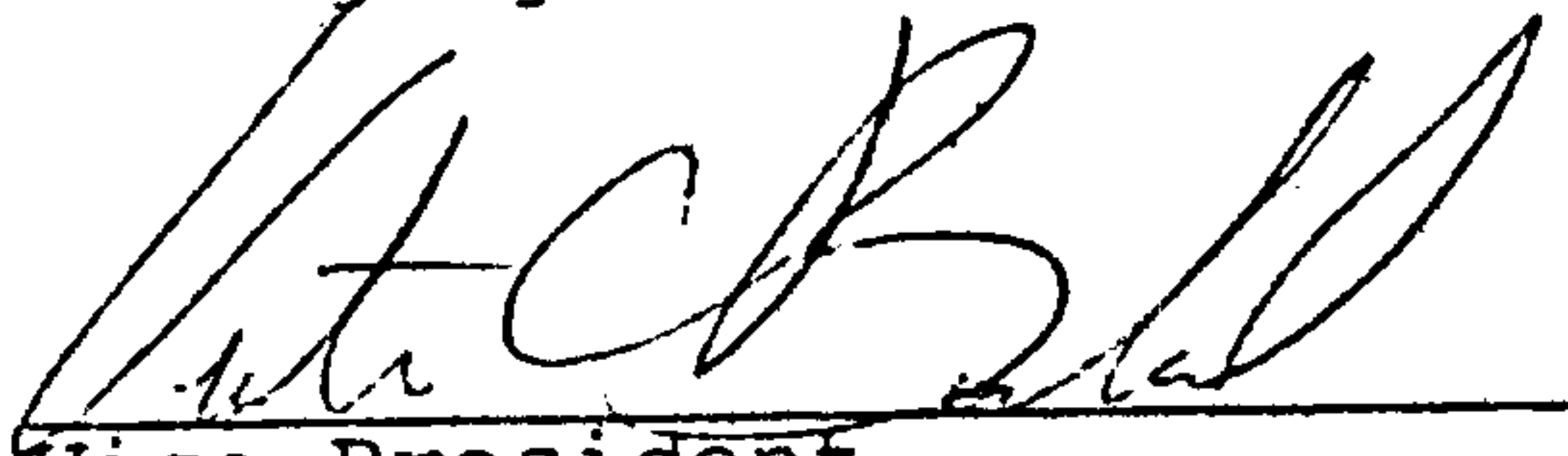
IN WITNESS WHEREOF, the Mortgagor has caused these presents to be executed in its name this day of in the year of our Lord, One Thousand Nine Hundred and Eighty.

ATTEST:

SHELBY PARTNERS

By: Barley Mill Management Corporation
Managing General Partner


Assistant Secretary

By: 
Vice President

PARCEL I:

Part of the SW 1/4 of NE 1/4 of Section 12, Township 20 South, Range 3 West, Shelby County, Alabama, said part being more particularly described as follows:

From the Northwest corner of said SW 1/4 of NE 1/4, run East along the North line thereof for 881.83 feet, more or less, to a point on the West right of way of U. S. Highway 31; thence turn an angle to the right of 115 degrees 53' and run Southwesterly along said West right of way line for a distance of 392.81 feet to the point of beginning; thence continue Southwesterly along said right of way for a distance of 460.36 feet; thence turn at an angle to the right of 90 degrees and run Northwesterly for a distance of 125 feet; thence turn an angle to the left of 90 degrees 00' and run Southwesterly for a distance of 18 feet; thence turn an angle to the right of 90 degrees 00' and run Northwesterly for a distance of 333.22 feet to the center line of the Old Montgomery Highway; thence turn an angle to the right of 86 degrees 07' and run Northerly along the center line of the Old Montgomery Highway for a distance of 124.34 feet; thence turn an angle to the right of 12 degrees 09' and run Northerly along the centerline of Old Highway, 251.86 feet; thence turn at an angle to the right of 55 degrees 51' and run Easterly for a distance of 389.50 feet; thence turn at an angle to the right of 115 degrees 53' and run Southerly for a distance of 65 feet; thence turn at an angle to the left of 90 degrees 00' and run Easterly for a distance of 80 feet to the point of beginning, said land containing 205,114 square feet, more or less.

EXHIBIT "A"

BOOK 408 PAGE 179

STATE OF)
COUNTY OF) ss.:

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Lester C. Boeckel whose name as Vice President of Barley Mill Management Corporation, a Delaware Corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Vice President, and with full authority, executed the same voluntarily for and as the act of said Managing General Partner of Shelby Partners.

Given under my hand and seal this 10th day of November, 1980.

Anna Riley
Notary Public

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED

1980 DEC -4 AM 9:58

Thomas A. Shouder, Jr.
JUDGE OF PROBATE

Mtg - 116.25
Rec. 33.00
Ind. 1.00
150.25

LAW OFFICES
JOHNSTON, BARTON, PROCTOR, SWEDLAW & NAFF

TWELFTH FLOOR BANK FOR SAVINGS BUILDING
BIRMINGHAM, ALABAMA 35203

November 24, 1980

TELEPHONE 322-0616
AREA CODE 205

GILBERT E. JOHNSTON
JAMES C. BARTON
G. BURNS PROCTOR, JR.
ALFRED SWEDLAW
ALFRED M. NAFF
SYDNEY LAVENDER
ALAN W. HELDMAN
JEROME K. LANNING
DON B. LONG, JR.
CHARLES L. ROBINSON
HUBERT A. GRISSOM, JR.
J. WILLIAM ROSE, JR.
GILBERT E. JOHNSTON, JR.
JOHN D. QUENELLE
DAVID P. WHITESIDE, JR.
JERRY W. POWELL
TIMOTHY K. CORLEY
CONRAD C. PITTS
PATRICIA CLOTFELTER
MICHAEL L. HALL

Hon. Thomas A. Snowden, Jr.
Probate Judge, Shelby County
Columbiana, Alabama 35051

Dear Judge Snowden:

Enclosed for recording is a deed evidencing the conveyance of real estate in Shelby County, Alabama from FDI Investment Corporation to Shelby Partners. The cash consideration for the same was \$79,000.00, and the enclosed recording tax payment has been computed accordingly.

Also enclosed for recording is a purchase money "Wrap Around Mortgage" which recites that it represents a principal indebtedness of \$1,501,000.00; however, this "principal" amount includes the following two mortgages on this property on which mortgage recording tax has already been paid:

(1) Mortgage from Shelby Mart, Ltd. to The First National Bank of Birmingham recorded in Mortgage Book 373, Page 108, and Corrective Mortgage in Mortgage Book 377, Page 647, as assigned to Liberty National Life Insurance Company by instrument recorded in Misc. Vol. 29, Page 346 in the Probate Office of Shelby County, Alabama (securing an indebtedness in the assumed principal balance of \$1,098,520.00).

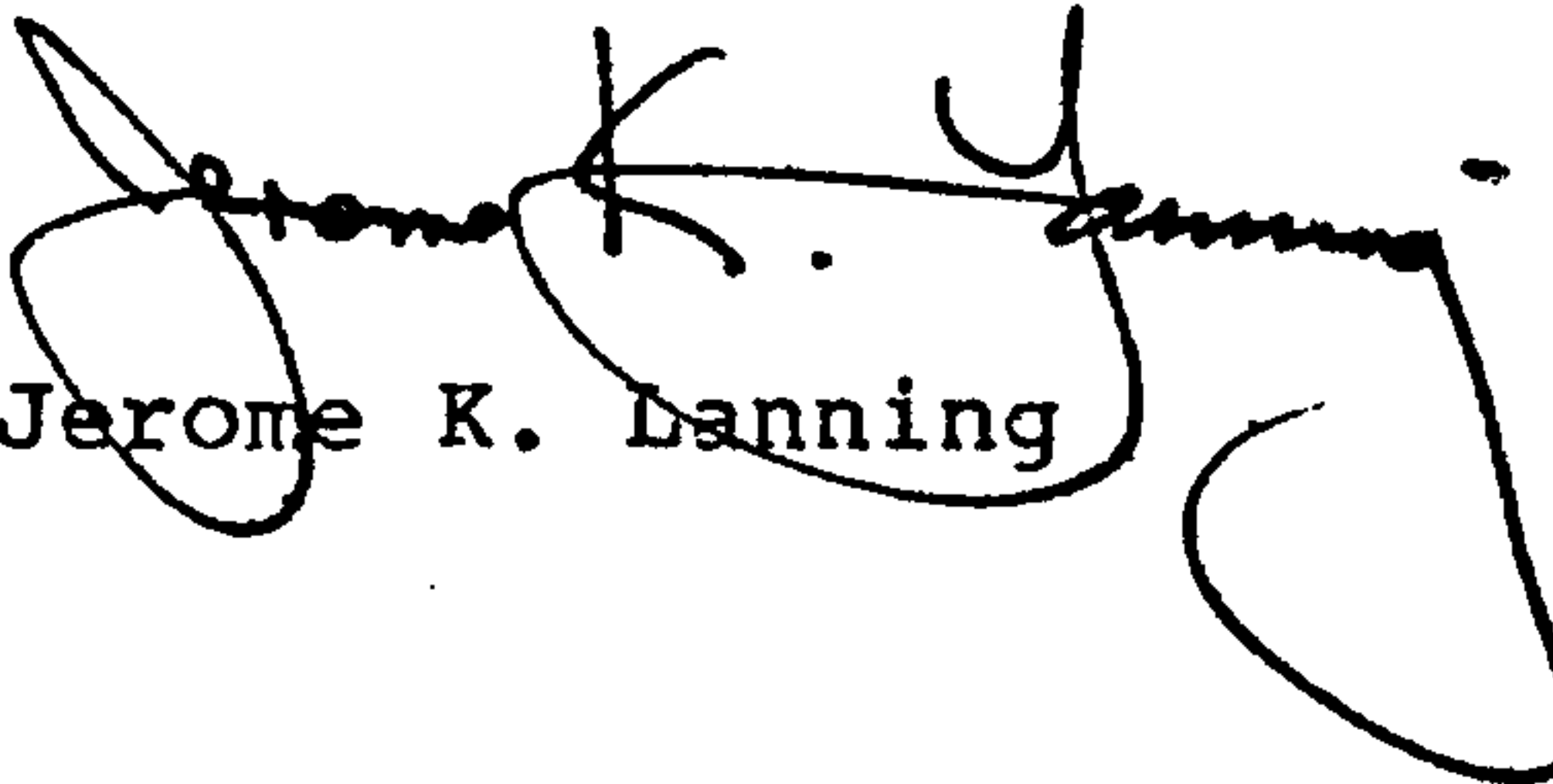
(2) Mortgage from FDI Investment Corporation to Shelby Mart, Ltd. recorded in Mortgage Book 404, Page 717 in the Probate Office of Shelby County, Alabama (securing an indebtedness in the assumed principal balance of \$325,000.00).

Hon. Thomas A. Snowden, Jr.
November 24, 1980
Page Two

The new indebtedness represented by the "Wrap Around Mortgage" is \$77,480.00, or \$1,501,000.00 less the total of the assumed indebtedness represented by the above two referenced mortgages of \$1,423,520.00 ($\$1,098,620.00 (+) \$325,000.00 = \$1,423,520.00 / \$1,501,000.00 (-) \$1,423,520.00 = \$77,480.00$). The recording tax enclosed has accordingly been computed on the new indebtedness of \$77,480.00, on which a mortgage recording tax has not previously been paid.

I would appreciate it if you would give me a call if you have any questions or if you will require any further information.

Very truly yours,


Jerome K. Lanning

JKL/ec