

STATE OF ALABAMA)
)
COUNTY OF SHELBY)

LOAN MODIFICATION AGREEMENT

This Loan Modification Agreement is entered into by and among John C Draper III and Kathryn B. Draper (the "Lenders"), The Pelham Dance Center, LLP, an Alabama limited liability partnership (the "Pelham LLP"), successor by conversion and name change to The Stevan Grebel Dance Center Partnership, an Alabama general partnership (the "Grebel Partnership" and, together with the Pelham LLP, the "Partnership"), Paul D. Wharton and Rhonda Wharton (the "Whartons"), and Stevan Grebeldinger, a/k/a Stevan Grebel, and Deborah Grebeldinger, a/k/a/ Deborah Grebel (the "Grebeldingers").

Recitals

A. The Partnership was organized by the Whartons and the Grebeldingers under the General Partnership Agreement of The Stevan Grebel School of Dance Partnership dated June 11, 2004 (sic) (the "Partnership Agreement").

B. The Grebel Partnership is the maker of that certain Mortgage Note in favor of the Lenders in the amount of \$750,000 and dated July 2, 2002 (the "Note"), a copy of which is attached as Exhibit A.

C. The Note is secured by that certain Mortgage from the Grebel Partnership in favor of the Lenders (the "Mortgage") on the property located at 3050 Lee Street, Pelham, Alabama, recorded in the Office of the Judge of Probate of Shelby County, Alabama (the "Office"), a copy of which is attached as Exhibit B.

D. The current total outstanding principal balance on the Note is approximately \$732,000.

E. The Grebeldingers withdrew as general partners of the Grebel Partnership pursuant to an Agreement of Dissociation dated June 30, 2003.

F. The Grebeldingers signed a Statement of Dissociation dated June 30, 2003, that is recorded in the Office of the Judge of Probate of Shelby County, Alabama, a copy of which is attached as Exhibit C.

G. The Partnership thereafter changed its name to The Pelham Dance Center Partnership (the "Pelham Partnership").

H. The Partnership registered as a registered limited liability partnership pursuant to Code of Alabama 1975, sections 10-8A-1001, et seq., operating under the name of "The Pelham Dance Center, LLP," effective July 1, 2003.

I. The parties desire and have agreed to amend the Note and the Mortgage as hereinafter set forth.

J. Notwithstanding any provision to the contrary contained in the Note or in the Mortgage, there is currently no default under the Note or the Mortgage.

Agreement

In consideration of the premises, the payment of \$125 by each of the Whartons and each of the Grebeldingers to the Lenders (a total of \$500), the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Recitals are true and correct and are incorporated herein as an operative and effective part of this Agreement.

2. The Pelham LLP hereby assumes all obligations of the Grebel Partnership under the Note and under the Mortgage.

3. Notwithstanding (a) applicable law and (b) any provision to the contrary contained in the Note or in the Mortgage, the Whartons and the Grebeldingers shall have no personal liability for the payment of the principal or interest provided in the Note or the performance of any of the covenants or agreements contained in the Note or the Mortgage.

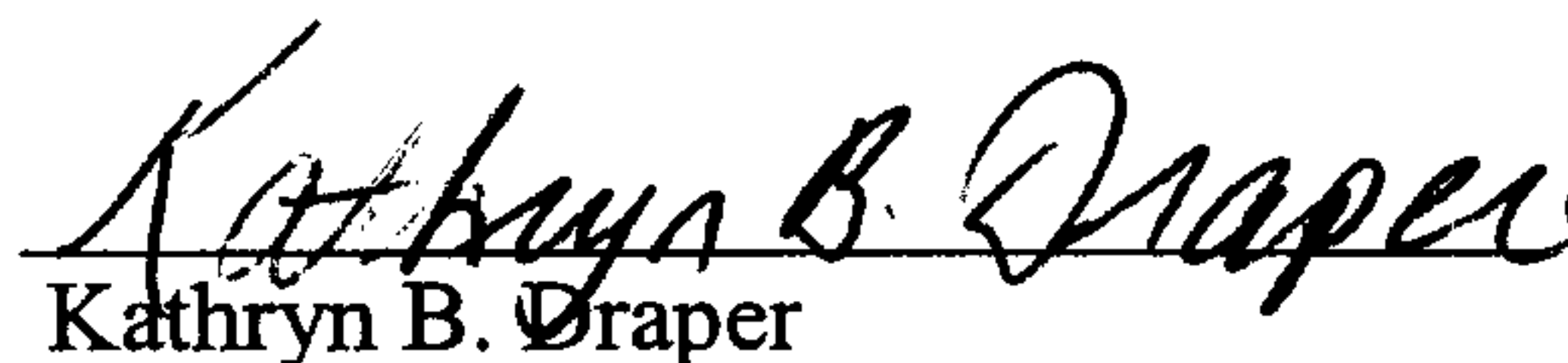
4. In the event of default under the Note or under the Mortgage, no asset of the Whartons or the Grebeldingers, or any of them, shall be subject to execution, levy or any other remedy in favor of the holder of the Note or the mortgagee under the Mortgage.

5. The Note and the Mortgage, as modified hereby, are hereby ratified and confirmed in all respects.


6. This Agreement shall be binding upon, and shall inure to the benefit of, the respective heirs, successors, personal representatives and assigns of the parties hereto.


The parties have executed and sealed this Agreement as of July __, 2003.


 (L.S.)
John C. Draper III

 (L.S.)
Kathryn B. Draper

THE PELHAM DANCE CENTER, LLP (SEAL)

By: 
Paul D. Wharton
A Partner

By: 
Rhonda Wharton
A Partner

 (L.S.)
Paul D. Wharton

Rhonda Wharton (L.S.)
Rhonda Wharton

Stevan Grebeldinger (L.S.)
Stevan Grebeldinger

Deborah Grebeldinger (L.S.)
Deborah Grebeldinger

STATE OF ALABAMA)
COUNTY OF Montgomery)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that JOHN C. DRAPER III, whose name 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 executed the same voluntarily as of the date hereof.

Given under my hand on July 10, 2003.

Betty Whitaker (SEAL)
Notary Public

8/18/04
My Commission Expires

STATE OF ALABAMA)
COUNTY OF Montgomery)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that KATHRYN B. DRAPER, whose name 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, she executed the same voluntarily as of the date hereof.

Given under my hand on July 10, 2003.

Betty Whitaker (SEAL)
Notary Public

8/18/04
My Commission Expires

STATE OF ALABAMA)
)
COUNTY OF Montgomery)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that PAUL D. WHARTON, whose name is signed to the foregoing instrument individually and as a partner of The Pelham Dance Center, LLP, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he executed the same voluntarily as of the date hereof.

Given under my hand on July 1st, 2003.

Betty Whitaker (SEAL)
Notary Public
8/18/04
My Commission Expires

STATE OF ALABAMA)
)
COUNTY OF Montgomery)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that RHONDA WHARTON, as a partner of The Pelham Dance Center, LLP, whose name 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, she executed the same voluntarily as of the date hereof.

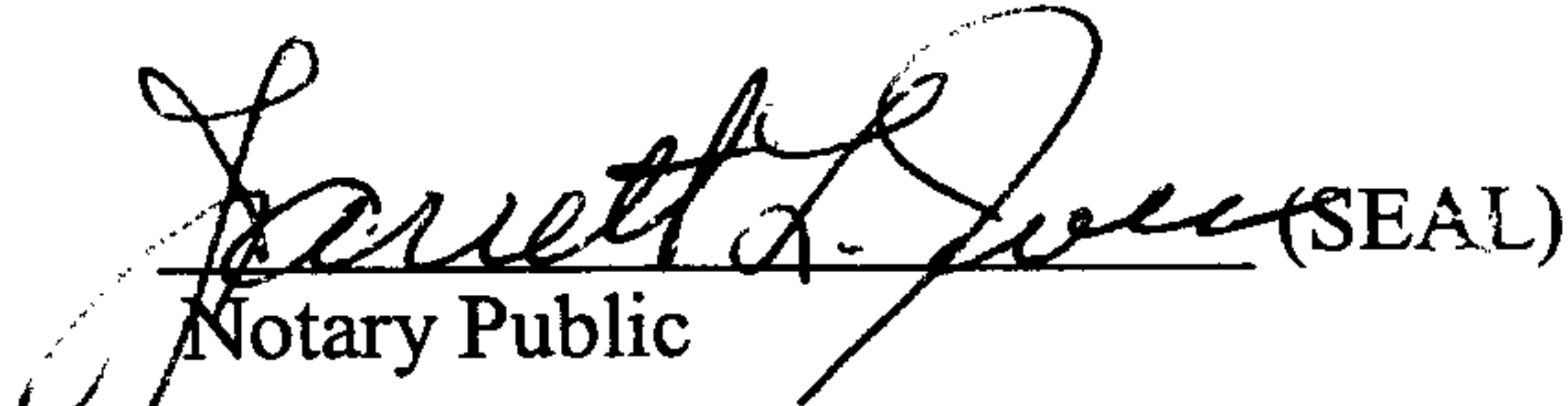
Given under my hand on July 1st, 2003.

Betty Whitaker (SEAL)
Notary Public
8/18/04
My Commission Expires

STATE OF ALABAMA)
)
COUNTY OF Shelby)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that STEVAN GREBELDINGER, a/k/a Stevan Grebel, whose name 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 executed the same voluntarily as of the date hereof.

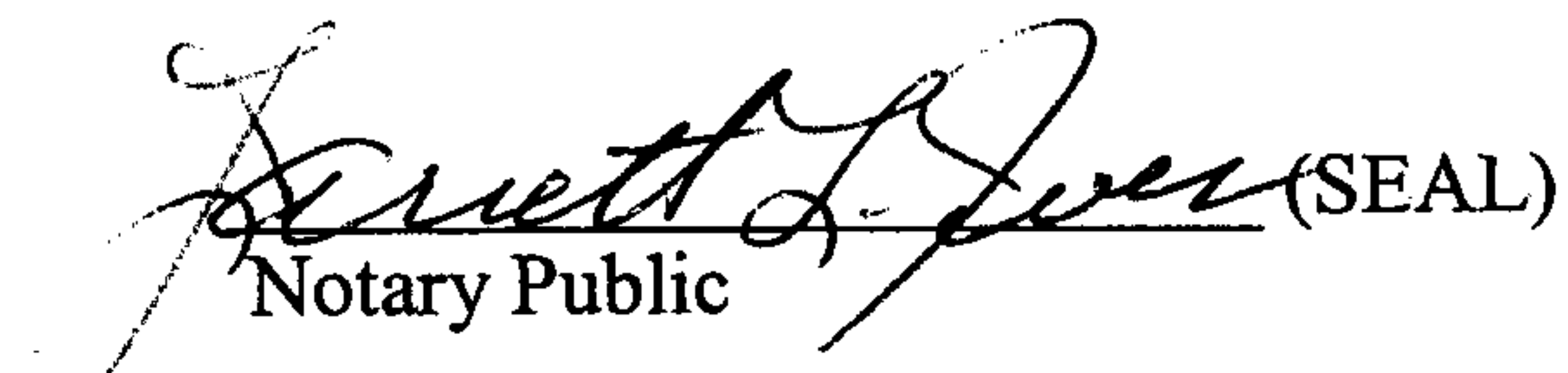
Given under my hand on July 9, 2003.

 (SEAL)
Notary Public
March 13, 2005
My Commission Expires

STATE OF ALABAMA)
)
COUNTY OF Shelby)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that DEBORAH GREBELDINGER, a/k/a Deborah Grebel, whose name 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, she executed the same voluntarily as of the date hereof.

Given under my hand on July 9, 2003.

 (SEAL)
Notary Public
March 13, 2005
My Commission Expires

This instrument prepared by:
John Herbert Roth, Esq.
Capell & Howard, P.C.
P. O. Box 2069
Montgomery, AL 36102-2069
(334) 241-8000

MORTGAGE NOTE

\$750,000.00
Pelham, Alabama

Date: July 2, 2002

FOR VALUE RECEIVED, THE STEVAN GREBEL DANCE CENTER PARTNERSHIP, an Alabama general partnership ("Maker"), of Pelham, Shelby County, Alabama promises to pay to the order of JOHN C. DRAPPER III and KATHRYN B. DRAPER, (hereinafter collectively "Payee"), of 502 Fiveash Oak Court, Prattville, Alabama, 36066, the principal sum of Seven Hundred Fifty Thousand and No/100 Dollars (\$750,000.00) plus interest at the rate of Seven Percent (7%) per annum accruing from the date hereof.

Payment of Principal

1. Principal shall be payable, in lawful money of the United States of America, at the office of the Payee or such other place as the holder of this Note may designate, in the following manner:

Monthly payments of principal and accrued interest in the amount of Five Thousand Five Hundred and 00/100 (\$5,500.00) beginning July 2, 2002 and continuing on the 1st day of every month thereafter until paid in full with a balloon payment on July 2, 2007, according to the amortization schedule attached hereto and incorporated herein.

Prepayment Right

2. The Maker shall have the privilege, without premium or penalty, at any time and from time to time, of prepaying this Note in whole or in part.

Late Charges

3. The Maker agrees that if any payment shall be overdue for a period in excess of 15 days, the Maker shall pay to the Payee a late charge of five cents for each dollar overdue to cover the additional expense incident to delinquency. This shall not be construed to obligate the Payee to accept any overdue installment nor to limit the Payee's rights and remedies for the Maker's default as set forth in this Note.

Security

4. This Note is secured by a mortgage ("Mortgage") of the same date as this Note, covering certain premises ("Mortgaged Property") described in the Mortgage. Any failure by the Maker to comply with the terms, covenants, or conditions of the Mortgage shall automatically constitute a default under this Note.

5. If the Maker shall, without obtaining in each instance the prior written consent of the Payee, sell, transfer, lease, or convey (collectively referred to as "transfer") the Mortgaged Property or any interest in it, whether voluntarily or by operation of law, then at the Payee's option, the maturity of this Note shall be advanced to the date of the transfer, and the obligations of the Maker under this Note shall immediately be due and payable. For purposes of this paragraph, if the Maker is a corporation, the sale or transfer of any stock of the Maker or the issuance of additional stock of the Maker that results in a transfer of the control of the Maker shall constitute a transfer of the Mortgaged Property. If the Maker is a partnership, the sale or transfer of any partnership interest in the Maker shall constitute a transfer of the Mortgaged Property.

Events of Default

6. If the Maker fails to pay any sum when due, if the Maker shall in any other way be in default under this Note, or if any certification, warranty, or representation made by the Maker to the Payee proves to be materially false, then the entire unpaid principal balance of this Note, together with interest accrued and with all other sums due or owed by the Maker under this Note or under the terms of the Mortgage shall, at the Payee's option and without notice to the Maker, become due and payable immediately with interest. After the default and acceleration and until the Maker's indebtedness to the Payee is paid in full, including the period following entry of any judgment, the interest shall accrue at a rate of twelve percent annually. The Maker shall also be liable for reasonable attorney's fees incurred for collection of the Note, and the cost of any such title search incurred by the Payee in connection with the proceedings. Payment of these amounts may be enforced and recovered by the entry of judgment on this Note and the issuance of execution on the judgment.

Cumulative Remedies

7. The remedies of the Payee provided in this Note and in the Mortgage, other remedies available to the Payee, at law or in equity, and the warrants of attorney contained in any of these instruments shall be cumulative and concurrent and may be pursued separately, successively, or together at the sole discretion of the Payee, which may exercise them whenever necessary. The failure to exercise any right or remedy shall in no event be construed as a waiver or release of the right or remedy.

Payment of Costs

8. If any taxes are imposed with respect to debts secured by the Mortgage or with respect to notes evidencing debts so secured, the Maker agrees to pay or to reimburse the Payee, on demand, for the amount of the taxes paid by the Payee. If the Maker fails, refuses, or is not legally permitted to do so, the Payee may at its option accelerate this Note to maturity, as in the case of default by the Maker. Further, if Maker defaults under the terms of this Note, Maker shall be responsible for all costs of collection incurred by Payee including reasonable attorneys fees.

Construction

9. The words "Payee" and "Maker" in this Note shall be construed to include the respective heirs, personal representatives, successors, and assigns of the Payee and the Maker.

10. This instrument shall be governed by and construed in accordance with the laws of the State of Alabama.

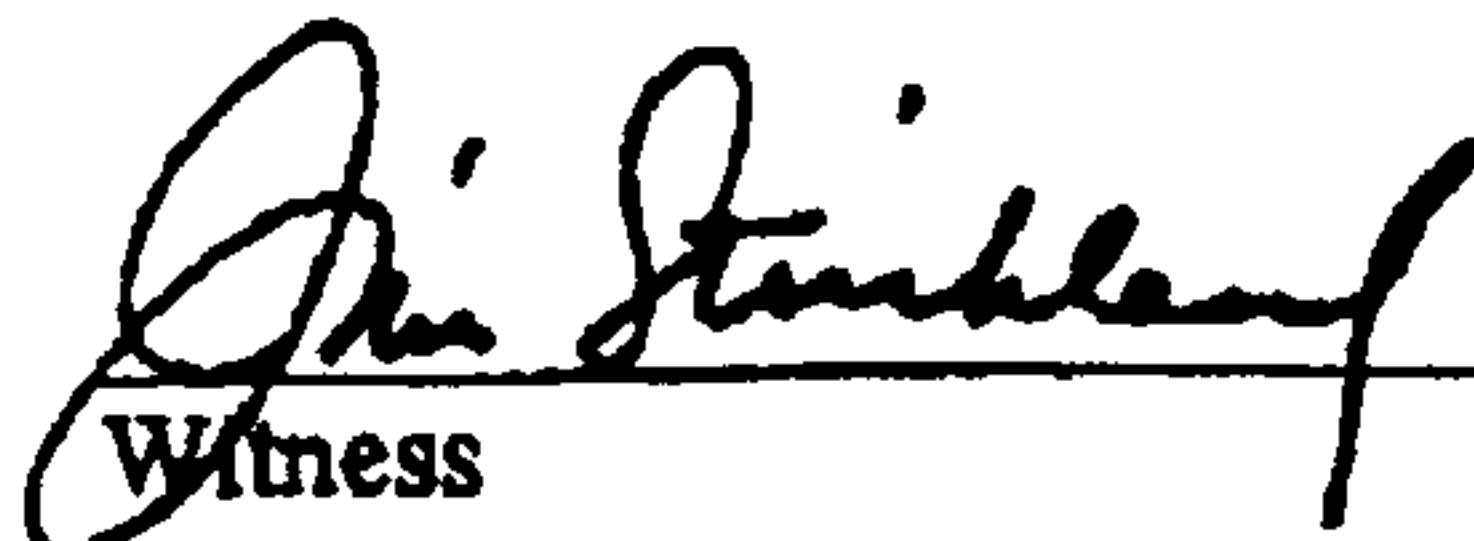
Limitation on Interest

11. Notwithstanding any provision contained in this Note, the Maker's liability for the payment of interest shall not exceed the limits now imposed by the applicable usury law. If any provision of this Note requires interest payments in excess of the highest rate permitted by law, the provision shall be deemed to require only the highest payment permitted by law. Any amounts received by the Payee in excess of the maximum amount of interest permitted shall be applied by the Payee in reduction of the outstanding principal. In this case, any applicable prepayment prohibition or premium shall be waived with respect to the amount prepaid. If this Note shall have been paid in full, the amount of the excess shall be promptly returned by the Payee to the Maker.

This Mortgage Note is given, executed, and delivered by the undersigned on the day first written above.

This Mortgage Note is given, executed, and delivered by the undersigned on the day first written above.

**THE STEVAN GREBEL DANCE
CENTER PARTNERSHIP,
an Alabama general partnership**

 7-2-02
Witness

By: 
PAUL D. WHARTON
Its: General Partner

↓
EXHIBIT B AMORTIZATION SCHEDULE

	PMT	PRIN	TOTAL PRIN	INT PRIN	TOTAL INT	BAL.
✓ 001	4348.75	4348.75	1151.25	0.000	1151.25	744348.75
✓ 002	4342.03	8690.78	1157.97	0.000	2309.22	743190.78
✓ 003	4335.28	13026.06	1164.72	0.000	3473.94	742026.06
✓ 004	4328.49	17354.55	1171.51	0.000	4645.45	740854.55
✓ 005	4321.65	21676.20	1178.35	0.000	5823.80	739676.20
✓ 006	4314.78	25990.98	1185.22	0.000	7009.02	738490.98
✓ 007	4307.86	30298.84	1192.14	0.000	8201.16	737298.84
✓ 008	4300.91	34599.75	1199.09	0.000	9400.25	736099.75
✓ 009	4293.92	38893.67	1206.08	0.000	10606.33	734893.67
✓ 010	4286.88	43180.55	1213.12	0.000	11819.45	733680.55
✓ 011	4279.80	47460.35	1220.20	0.000	13039.65	732460.35 ←
012	4272.69	51733.04	1227.31	0.000	14266.96	731233.04
013	4265.53	55998.56	1234.47	0.000	15501.44	729998.56
014	4258.32	60256.89	1241.68	0.000	16743.11	728756.89
015	4251.08	64507.97	1248.92	0.000	17992.03	727507.97
016	4243.80	68751.77	1256.20	0.000	19248.23	726251.77
017	4236.47	72988.23	1263.53	0.000	20511.77	724988.23
018	4229.10	77217.33	1270.90	0.000	21782.67	723717.33
019	4221.68	81439.02	1278.32	0.000	23060.98	722439.02
020	4214.23	85653.24	1285.77	0.000	24346.76	721153.24
021	4206.73	89859.97	1293.27	0.000	25640.03	719859.97
022	4199.18	94059.15	1300.82	0.000	26940.85	718559.15
023	4191.60	98250.75	1308.40	0.000	28249.25	717250.75
024	4183.96	102434.71	1316.04	0.000	29565.29	715934.71
025	4176.29	106611.00	1323.71	0.000	30889.00	714611.00
026	4168.56	110779.56	1331.44	0.000	32220.44	713279.56
027	4160.80	114940.36	1339.20	0.000	33559.64	711940.36
028	4152.99	119093.35	1347.01	0.000	34906.65	710593.35
029	4145.13	123238.47	1354.87	0.000	36261.53	709238.47
030	4137.22	127375.70	1362.78	0.000	37624.30	707875.70
031	4129.27	131504.97	1370.73	0.000	38995.03	706504.97
032	4121.28	135626.25	1378.72	0.000	40373.75	705126.25
033	4113.24	139739.49	1386.76	0.000	41760.51	703739.49
034	4105.15	143844.63	1394.85	0.000	43155.37	702344.63
035	4097.01	147941.65	1402.99	0.000	44558.35	700941.65
036	4088.83	152030.47	1411.17	0.000	45969.53	699530.47
037	4080.59	156111.07	1419.41	0.000	47388.93	698111.07
038	4072.31	160183.38	1427.69	0.000	48816.62	696683.38
039	4063.99	164247.37	1436.01	0.000	50252.63	695247.37
040	4055.61	168302.98	1444.39	0.000	51697.02	693802.98
041	4047.18	172350.16	1452.82	0.000	53149.84	692350.16

	<u>INT</u>		<u>PRIN.</u>			
042	4038.71	176388.87	1461.29	0.000	54611.13	690888.87
043	4030.19	180419.05	1469.81	0.000	56080.95	689419.05
044	4021.61	184440.67	1478.39	0.000	57559.33	687940.67
045	4012.99	188453.65	1487.01	0.000	59046.35	686453.65
046	4004.31	192457.97	1495.69	0.000	60542.03	684957.97
047	3995.59	196453.55	1504.41	0.000	62046.45	683453.55
048	3986.81	200440.37	1513.19	0.000	63559.63	681940.37
049	3977.99	204418.35	1522.01	0.000	65081.65	680418.35
050	3969.11	208387.46	1530.89	0.000	66612.54	678887.46
051	3960.18	212347.64	1539.82	0.000	68152.36	677347.64
052	3951.19	216298.83	1548.81	0.000	69701.17	675798.83
053	3942.16	220240.99	1557.84	0.000	71259.01	674240.99
054	3933.07	224174.06	1566.93	0.000	72825.94	672674.06
055	3923.93	228098.00	1576.07	0.000	74402.00	671098.00
056	3914.74	232012.73	1585.26	0.000	75987.27	669512.73
057	3905.49	235918.22	1594.51	0.000	77581.78	667918.22
058	3896.19	239814.41	1603.81	0.000	79185.59	666314.41
059	3886.83	243701.25	1613.17	0.000	80798.75	664701.25
060	3877.42	247578.67	1622.58	0.000	82421.33	663078.67

Exhibit B

This Instrument Prepared By:
LAURIE BOSTON SHARP
ALLISON, MAY, ALVIS, FUHRMEISTER,
KIMBROUGH & SHARP, L.L.C.
P.O. Box 380275
Birmingham, Alabama 35238
(205) 991-6367

MORTGAGE

State of Alabama)
)
County of Shelby)

This indenture, made this 24th day of July, 2002, between THE STEVAN GREBEL DANCE CENTER PARTNERSHIP, an Alabama general partnership, hereinafter called "Mortgagor," and JOHN C. DRAPER III and KATHERYN B. DRAPER, hereinafter called "Mortgagee".

Witnesseth:

Whereas, Mortgagor is justly indebted to Mortgagee in the sum of SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00) in lawful money of the United States, and has agreed to pay the same, with interest thereon and with a maturity date of July 2, 2007, according to the terms of a certain note (the "Note") given by Mortgagor to Mortgagee, bearing even date herewith;

Now, Therefore, in consideration of the premises and the sum hereinabove set forth, Mortgagor has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey unto Mortgagee property situated in Shelby County, Alabama, more particularly described as follows:

See Exhibit "A" for legal description.

Together with all buildings, structures and other improvements now or hereafter located on the property hereinbefore described, or any part and parcel thereof; and

Together with all rights, title and interest of Mortgagor in and to the minerals, flowers, shrubs, crops, trees, grass, sod, timber and other emblements now or hereafter on said property or under or above the same or any part or parcel thereof; and

Together with all and singular the tenements, hereditaments, easements, riparian and littoral rights, and appurtenances thereunto belonging or in any wise appertaining, whether now owned or hereafter acquired by Mortgagor, and including all rights of ingress and egress to and from adjoining property (whether such rights now exist or subsequently arise) together with the reversion or reversions, remainder and remainders, rents, issues and profits thereof; and also all the estate, right, title, interest, claim and demand whatsoever of Mortgagor of, in and to the same and of, in and to every part and parcel thereof; and

Together with any and all awards or payments, including interest thereon, and the right to receive the same, as a result of (a) the exercise of the right of eminent domain, (b) the alteration of the grade of any street, or (c) any other injury to taking of, or decrease in the value of, the premises, to the extent of all amounts which may be secured by this mortgage at the date of receipt of any such award or payment by Mortgagee and of the reasonable attorney's fees, costs and disbursements incurred by Mortgagee in connection with the collection of such award or payment. All the foregoing encumbered by this Mortgage being collectively referred to herein as the "Premises."

To have and to hold the Premises hereby granted to the use, benefit and behoof of the Mortgagee, forever.

Conditioned, however, that if Mortgagor shall pay or cause to be paid to Mortgagee, at its location at 502

FiveAsh Oak Court, Prattville, Alabama 36066, or at such other place SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00) which may hereafter be designated by Mortgagee, its or their successors or assigns, the principal and accrued interest, then these presents shall be void, otherwise to remain in full force and effect.

It is understood and agreed that the Note may be prepaid at any time without penalty.

Mortgagor warrants that Mortgagor has good, absolute and marketable title to the Premises, and is lawfully seized and possessed of the Premises and every part thereof, and has the right and authority to mortgage and give security upon all Premises; that the Premises are unencumbered except as may be herein expressly provided; and that Mortgagor will forever warrant and defend the title to the Premises unto Mortgagee against the claims of all persons whomsoever.

And Mortgagor Further Covenants and Agrees With Mortgagee as follows:

1. Mortgagor shall pay to Mortgagee the Secured Indebtedness as in the Note and this mortgage provided. The Secured Indebtedness shall bear interest at the rate of Seven percent (7%) and shall be payable upon monthly installments of Five Thousand Five Hundred and no/100 Dollars beginning July 2, 2002 and ending with a balloon payment for the balance due July 2, 2007.
2. Mortgagor shall pay, when due and payable, (a) all taxes, assessments, general or special, and other charges levied on, or assessed, placed or made against the Premises, this instrument or the Secured Indebtedness or any interest of the Mortgagee in the Premises or the obligations secured hereby;
3. Upon the occurrence of any one of the following events (herein called an "Event of Default"):
 - (i) should Mortgagor fail to pay the monthly payment of interest and principal according to the attached amortization schedule by the tenth of any month;
 - (ii) should any claim of priority to this mortgage by title, lien or otherwise be asserted in any legal, administrative or equitable proceeding;
 - (iii) should Mortgagor make any assignment for the benefit of creditors, or should a receiver, liquidator or trustee of Mortgagor or of any of Mortgagor's property be appointed, or should any petition for the bankruptcy, reorganization or arrangement of Mortgagor, pursuant to the Federal Bankruptcy Act or any similar statute, be filed, or should Mortgagor be adjudicated a bankrupt or insolvent, or should Mortgagor if a corporation be liquidated or dissolved or its charter expire or be revoked, or, if a partnership or business association, be dissolved or partitioned, or, if a trust, be terminated or expire;
 - (iv) should Mortgagor fail to keep, observe, perform, carry out and execute in every particular the covenants, agreements, obligations and conditions set out in this mortgage, or in the Note, or in any other instrument securing this loan or related thereto;
 - (v) should foreclosure proceedings (whether judicial or otherwise) be instituted on any mortgage or any junior lien of any kind secured by any portion of the Premises;

Then and thereupon Mortgagee may immediately do any one or more of the following, time expressly being made of the essence herein:

- (i) declare the note and the whole indebtedness secured by this mortgage, including all payments for taxes, assessments, liens, costs, expenses and attorney's fees herein specified, to be due and collectible at once, by foreclosure or otherwise;

- (ii) sell the said property hereby conveyed at auction for cash, at the County Courthouse door in the County in which the property is located, first having given notice thereof for three (3) weeks by publication in any newspaper then published in said County, and execute proper conveyance to the purchaser and out of the proceeds of said sale the Mortgagee shall first pay all expenses incident thereto, together with a reasonable attorney's fee, then retain enough to pay said note and the balance, if any, pay over to the Mortgagor.

In the event of such sale, the said Mortgagee, its successors, assigns, agents, or attorneys are hereby authorized and empowered to purchase said property the same as if they were strangers to the conveyance, and the auctioneer or person making the sale is hereby empowered and directed to make and execute a deed to the purchaser in the name of the Mortgagor.

It is hereby agreed that the said Mortgagee, or his successor or substitute, may sell said mortgaged property either as a whole, or in lots or parcels as may seem expedient to the Mortgagee (all rights to a marshaling of the assets of Mortgagor, including the property hereinabove described, being expressly and specifically waived herein by Mortgagor, on behalf of itself, its heirs, assigns and legal representatives) and after said sale as aforesaid, said Mortgagee, or his successor or substitute, shall make, execute and deliver to the purchaser or purchasers thereof, good and sufficient deed or deeds to the property so sold in fee simple, and shall receive the proceeds of said sale and out of same shall make application thereof as herein before provided, whether said property be sold as a whole or in lots or parcels. It is further specifically agreed that should the said Mortgagee, his successor or substitute, elect to sell said property in lots or parcels separately, in any such event the effect and validity of this instrument shall remain in full force and effect as to the remaining unsold portion or portions of said property, and the said Mortgagee, his successor or substitutes, shall have the right to exercise his privileges and powers under this instrument to advertise or readvertise any remaining unsold lots or parcels of said property on any subsequent sale date from time to time until the property herein mortgaged has all been sold, or until the entire indebtedness secured hereby is fully paid.

4. Mortgagor, for himself and family, hereby waives and renounces all homestead exemption rights provided for by the Constitution and Laws of the United States or the State of Alabama in and to the Premises as against the collection of the Secured Indebtedness, or any part thereof; and Mortgagor agrees that where, by the terms of the conveyance or the Note secured hereby, a day is named or a time fixed for the payment of any sum of money or the performance of any agreement, the time stated enters into the consideration and is of the essence of the whole contract.

5. Mortgagor shall keep the premises free from all prior liens and, upon demand of Mortgagee, pay and procure release of any lien which in any way may impair the security of this mortgage.

6. Mortgagee shall have the right from time to time to sue for any sum required to be paid under the terms of this mortgage, as the same become due, and without prejudice to the right of Mortgagee thereafter to enforce any appropriate remedy against the Mortgagor, including an action of foreclosure, or any other action, for a default or defaults by Mortgagor existing at the time such earlier action was commenced.

7. The rights of Mortgagee, granted and arising under the clauses and covenants contained in this mortgage, the Note, or any other instrument securing this loan, shall be separate, distinct and cumulative of other powers and rights herein granted and all other rights which Mortgagee may have in law or equity, and none of them shall be in exclusion of the others; and all of them are cumulative to the remedies for collection of indebtedness, enforcement of rights under mortgages, and preservation of security as provided at law. No act of Mortgagee shall be construed as an election to proceed under any one provision herein or under the Note to the exclusion of any other provision, or an election of remedies to the bar of any other remedy allowed at law or in equity, anything herein or otherwise to the contrary notwithstanding.

8. Every provision for notice and demand or request shall be deemed fulfilled by written notice and

demand or request personally served on one or more of the persons who shall at the time hold the record title to the Premises, or on their heirs or successors, or mailed by depositing it in any post office station or letter box enclosed in a postpaid envelope (a) addressed to such person or persons, or their heirs or successors, at his, their or its address last known to Mortgagee.

9. Without affecting the liability of Mortgagor or any other person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, and without affecting the rights of Mortgagee with respect to any security not expressly released in writing. Mortgagee may, at any time and from time to time, either before or after the maturity of the note, and without notice or consent: (a) release any person liable for payment of all or any part of the indebtedness or for performance of any obligation; (b) make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness, or modifying or waiving any obligation or subordinating, modifying otherwise dealing with the lien or charge hereof; (c) exercise or refrain from exercising or waive any right Mortgagee may have; (d) accept additional security of any kind; or (e) release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the property mortgaged hereby.

10. Mortgagor hereby agrees to indemnify and hold harmless from all loss, cost, damage, claim and expense incurred by Mortgagee on account of (i) Mortgagor's or the Premises's failure to fully comply with all environmental laws, rules and regulations, or with all occupational health and safety laws, rules and regulations, or (ii) any other matter related to environmental conditions on, under or affecting the Premises. This indemnification shall survive the closing of the Loan, payment of the Loan, the exercise of any right or remedy under any Loan Document, any subsequent sale or transfer of the Premises, and all similar or related events or occurrences.

11. The words "Mortgagor" and "Mortgagee" whenever used herein shall include all individuals, corporations (and if a corporation, its officers, employees or agents) and any and all other persons or entities, and the respective heirs, executors, administrators, legal representatives, successors and assigns of the parties hereto, and all those holding under either of them, and the pronouns used herein shall include when appropriate, either gender and both singular and plural, and the word "Note" shall also include one or more notes and the grammatical construction of sentences shall conform thereto.

12. If any provision of this Mortgage, the Note, or any other instrument securing this loan, shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of the instrument in which such provision is contained, nor the application of the provision to other persons, entities or circumstances, nor any other instrument referred to hereinabove shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

13. This mortgage is executed and delivered in, and its terms and provisions are to be governed by, the laws of the State of Alabama.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument.

In Witness Whereof, the Mortgagor has caused this instrument to be executed as of the day and year first above written.

THE STEVAN GREBEL DANCE CENTER
PARTNERSHIP, an Alabama general partnership

By: 
PAUL D. WHARTON
Its: General Partner

STATE OF ALABAMA)
COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that PAUL D. WHARTON, whose name as General Partner of The Stevvan Grebel Dance Center Partnership, an Alabama general partnership, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he, as such general partner and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand and official seal, this the 22nd day of July, 2002.

P R M
Notary Public
My Commission Expires: _____

LEGAL DESCRIPTION

Part of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 13, and part of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 14, Township 20 South, Range 3 West, situated in Shelby County, Alabama, more particularly described as follows: Commence at the Southeast corner of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 14, and run thence West along the South line of said $\frac{1}{4}$ - $\frac{1}{4}$ a distance of 100.71 feet to a point on the East right of way line of Highway #283 (Ashville-Montevallo Road); thence turn right 103 degrees 08 minutes 11 seconds and run along the East right of way of said Highway #283 a distance of 358.64 feet to the point of beginning of the hereinafter described; thence continue along same line a distance of 130.29 feet to the intersection right of way with Shelby County Highway #105; thence turn right 89 degrees 52 minutes 00 seconds and along said right of way 14.5 feet; thence turn left 57 degrees 25 minutes 20 seconds and along said right of way 113.7 feet to right of way of Shelby County #105; thence turn right 50 degrees 53 minutes 20 seconds and along said right of way 79.42 feet; thence turn right 95 degrees 05 minutes 49 seconds and run 245.25 feet; thence turn right 95 degrees 00 minutes 00 seconds and run 161.39 feet to the point of beginning.

**STATEMENT OF DISSOCIATION
FROM
STEVAN GREBEL DANCE CENTER PARTNERSHIP**

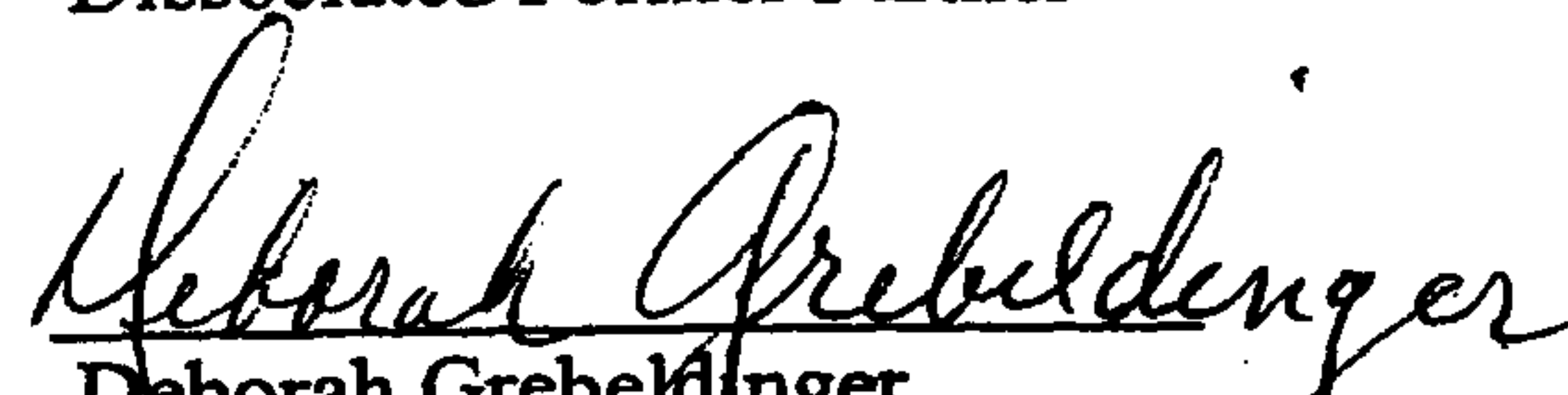
Certain partners of Stevan Grebel Dance Center Partnership, an Alabama general partnership (the "Partnership"), have dissociated from the Partnership and no longer have any interest in, or any authority to bind, the Partnership. Pursuant to Code of Alabama 1975, section 10-8A-704, this Statement of Dissociation is given to evidence the dissociation of those partners.

1. **Name of Partnership.** The name of the Partnership is the Stevan Grebel Dance Center Partnership.


2. **Names of Dissociated Partners.** The names of the dissociated partners are Stevan Grebeldinger, a/k/a Stevan Grebel, and Deborah Grebeldinger, a/k/a Deborah Grebel.

This Statement of Dissociation shall be filed in the office of the Judge of Probate of Shelby County, Alabama, the county in which the Partnership was organized. This Statement of Dissociation is executed as of June 30, 2003.


Stevan Grebeldinger
Dissociated Former Partner


Deborah Grebeldinger
Dissociated Former Partner


Paul D. Wharton
General Partner


Rhonda Wharton
General Partner