

**Prepared By:**  
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Balch & Bingham, LLP  
P.O. Box 306  
Birmingham, AL 35201

<b>STATE OF ALABAMA</b>	)	<b>MORTGAGE MODIFICATION AGREEMENT</b>
	)	<b>AND AMENDMENT TO</b>
<b>COUNTIES OF JEFFERSON</b>	)	<b>RELATED LOAN DOCUMENTS</b>
<b>AND SHELBY</b>		

**THIS MORTGAGE MODIFICATION AGREEMENT AND AMENDMENT TO RELATED LOAN DOCUMENTS** (this "Agreement") is being entered into as of the 29th day of December, 2003, by and between **COMPASS BANK** ("Bank") and **CORPORATE HOUSING, LLC** (the "Borrower").

**P R E A M B L E**

The Borrower is the maker of two certain \$1,500,000 Promissory Notes dated as of March 24, 2003 ( the "Note"), which evidence two credit facilities made available by the Bank to the Borrower in the aggregate principal amount of up to \$3,000,000 (collectively, the "Loan"). The Loan was made available pursuant to a certain Master Loan and Security Agreement for Residential Real Estate Acquisition and Term Financing by and between the Bank and the Borrower dated as of March 24, 2003 (the "Loan Agreement"), is secured by, among other things, a certain Future Mortgage, Assignment of Rents and Leases and Security Agreement dated as of March 24, 2003 and recorded or to be recorded in the Probate Offices of Jefferson County, Alabama and Shelby County, Alabama (as amended and modified, the "Mortgage") and is guaranteed by the Continuing Guaranties of J. Thomas Martin, Henry L. Mellen, III, Leo J. Pecher and Derek R. Waltchack (the "Guarantors"). Unless otherwise defined herein, capitalized terms shall have the meanings given to such terms in the Loan Agreement.

The Loan Agreement contemplates that from time to time, subject to the terms and conditions thereof, properties shall be added as collateral for the Loan against which Bank will make advances in accordance with the Loan Agreement. Accordingly,

**ALL MORTGAGE PRIVILEGE TAXES HAVE BEEN PAID ON THE ENTIRE AMOUNT SECURED BY THE ABOVE-REFERENCED MORTGAGE AT THE TIME OF THE RECORDATION THEREOF.**

the Bank and the Borrower have agreed to amend the Loan Agreement, the Mortgage and the other documents and instruments evidencing, securing, relating to, guaranteeing or executed or delivered in connection with the Loan (collectively the "Loan Documents") as set forth herein.

## **AGREEMENT**

**NOW, THEREFORE**, in consideration of the premises, the mutual agreements of the parties as set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce Bank to amend the Loan, the parties, intending to be legally bound hereby, agree as follows:

**A. Amendment of Mortgage and UCC Financing Statements.** The Mortgage shall be and hereby is amended by revising the description of the property covered thereby as set forth on Exhibit A thereto to read in its entirety as reads Exhibit A hereto. Each UCC Financing Statement shall be and is hereby amended by revising the description of the property covered thereby as set forth on Exhibit B thereto to read in its entirety as reads Exhibit A hereto.

**B. Amendment of Loan Agreement.** The Loan Agreement shall be and hereby is amended by revising Exhibit A thereto to read in its entirety as reads Exhibit A hereto.

**C. Amendment of Other Loan Documents.** Each of the other Loan Documents shall be and hereby is amended by revising the description of the property securing the Loan to read as reads Exhibit A hereto.

**D. Effect on Loan Documents.** Each of the Loan Documents shall be deemed amended as set forth hereinabove and to the extent necessary to carry out the intent of this Agreement. Except as is expressly set forth herein, all of the Loan Documents shall remain in full force and effect in accordance with their respective terms and shall continue to evidence, secure, guarantee or relate to, as the case may be, the Loan.

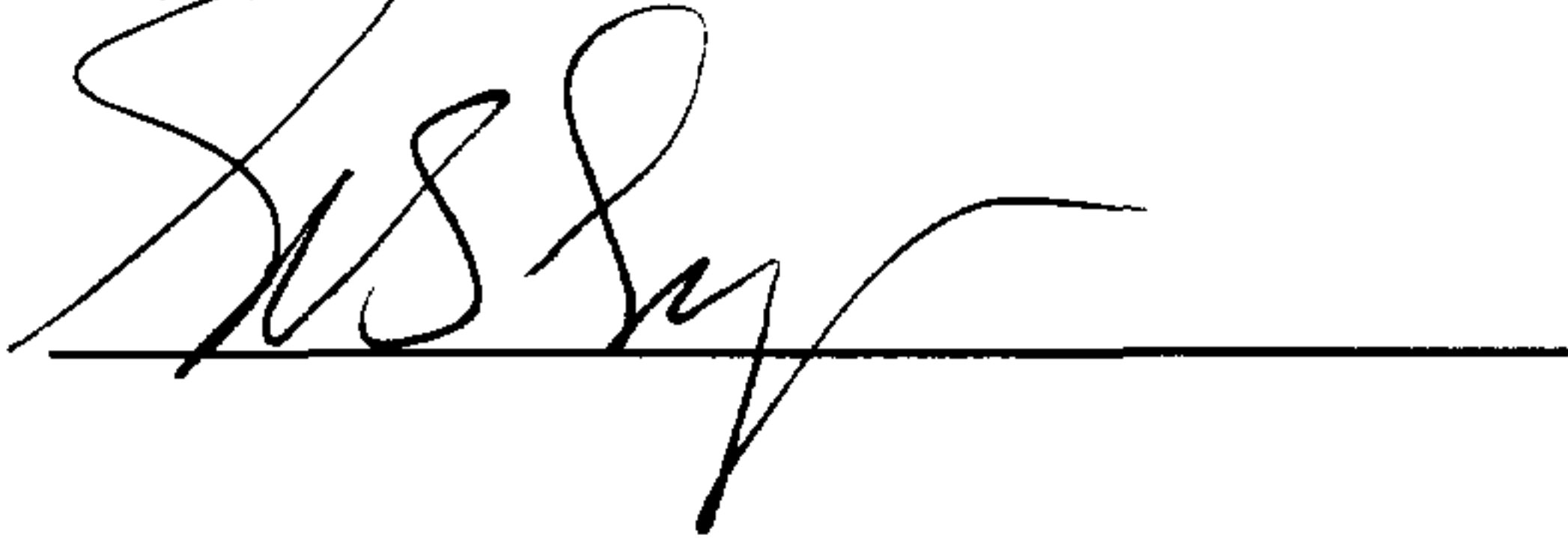
**E. Representations and Warranties.** Each representation and warranty contained in the Loan Documents is hereby reaffirmed as of the date hereof. The Borrower hereby represents, warrants and certifies to Bank that no Event of Default nor any condition or event that with notice or lapse of time or both would constitute an Event of Default, has occurred and is continuing under any of the Loan Documents or the Loan, and that Borrower has no offsets or claims against Bank arising under, related to, or connected with the Loan, the Loan Agreement or any of the other Loan Documents.



F. **Execution by Guarantors.** Guarantors have executed this Agreement to evidence their consent to the amendments as described herein, and to acknowledge the continuing effect of their respective Guaranties and the obligations contained therein.

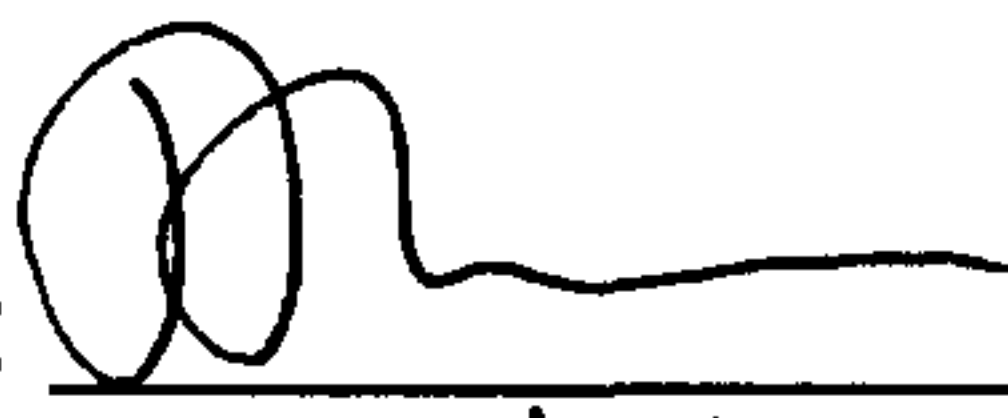
**IN WITNESS WHEREOF**, the undersigned have caused this instrument to be duly executed as of the date first set forth above.

WITNESS:

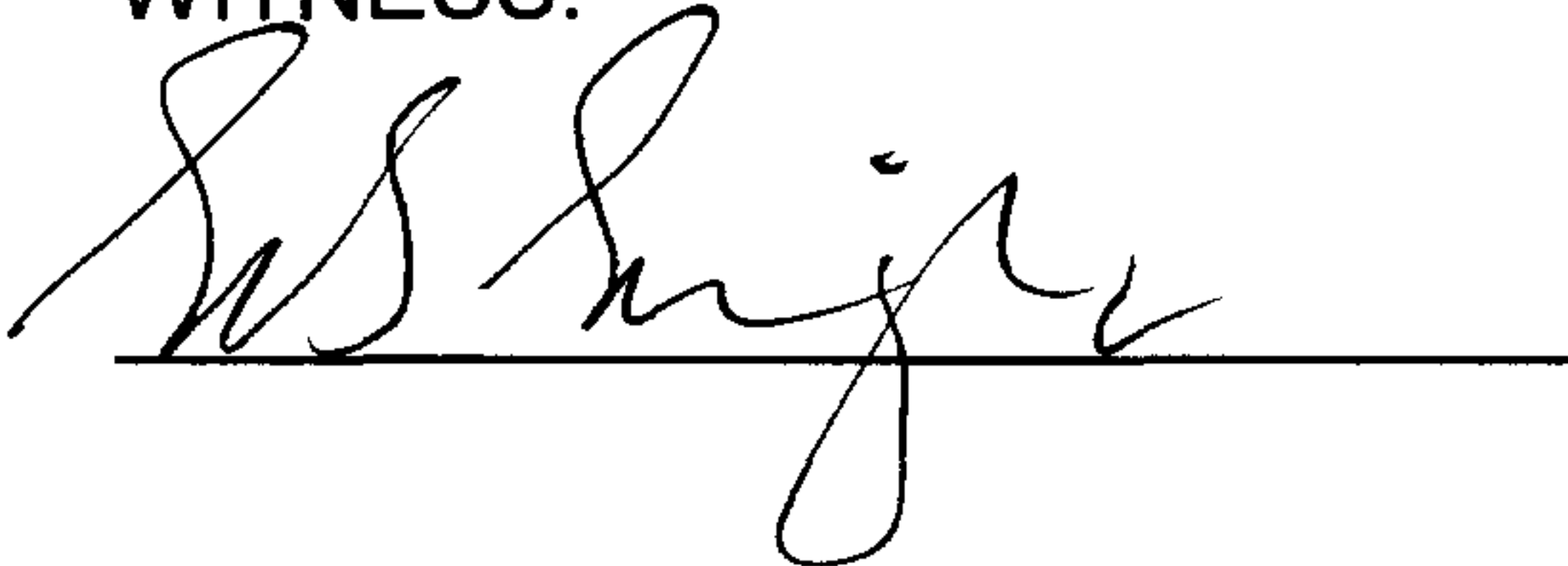
  
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**BORROWER:**

**CORPORATE HOUSING, LLC**


By:   
Its: Authorized member

WITNESS:

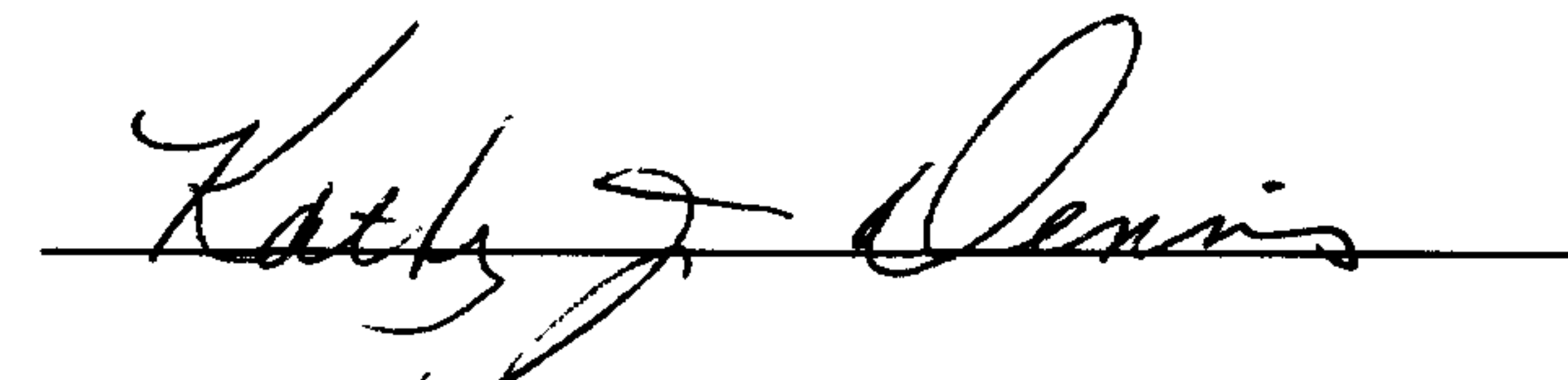
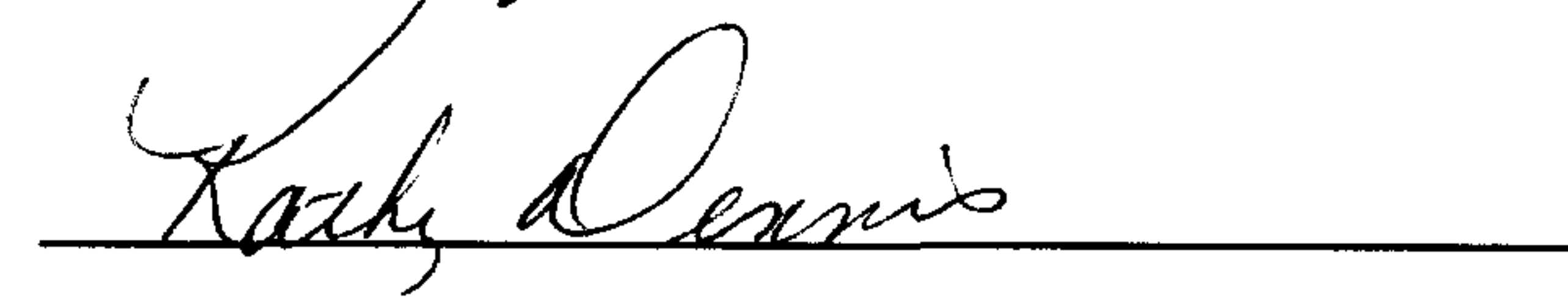
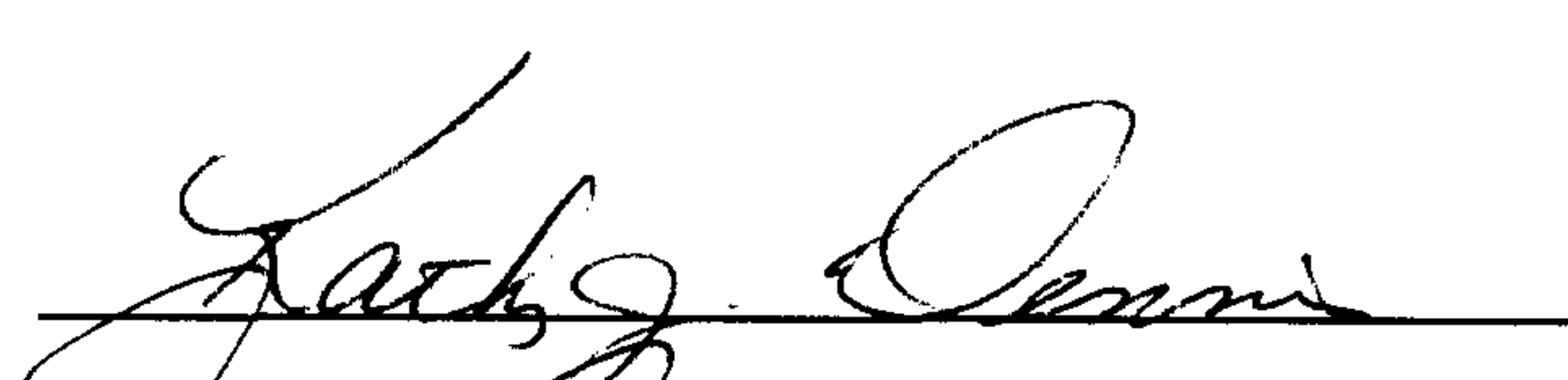

  
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**BANK:**


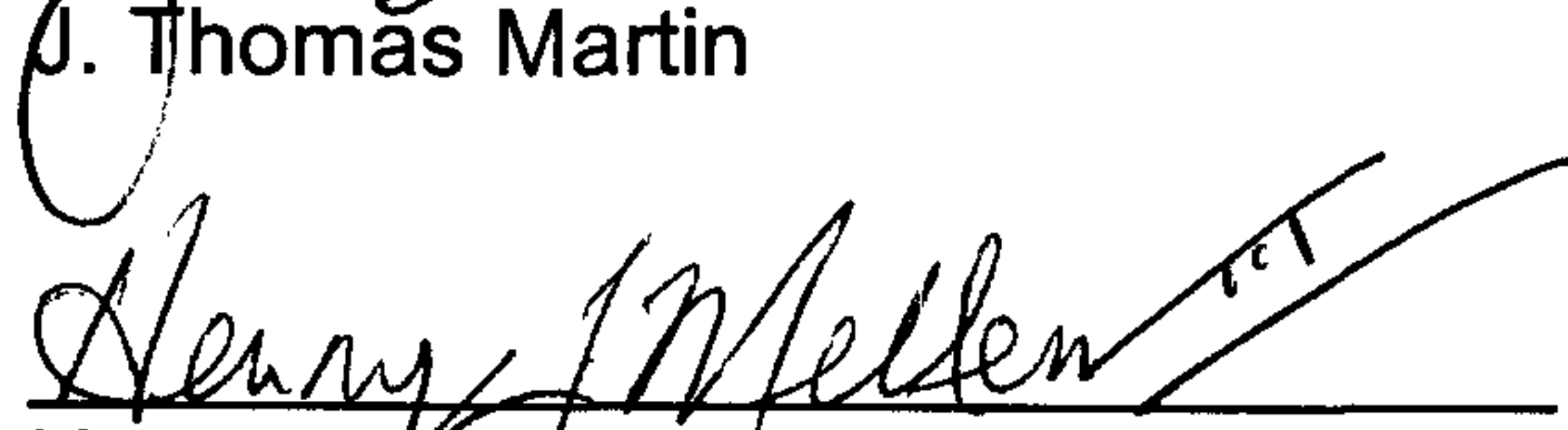
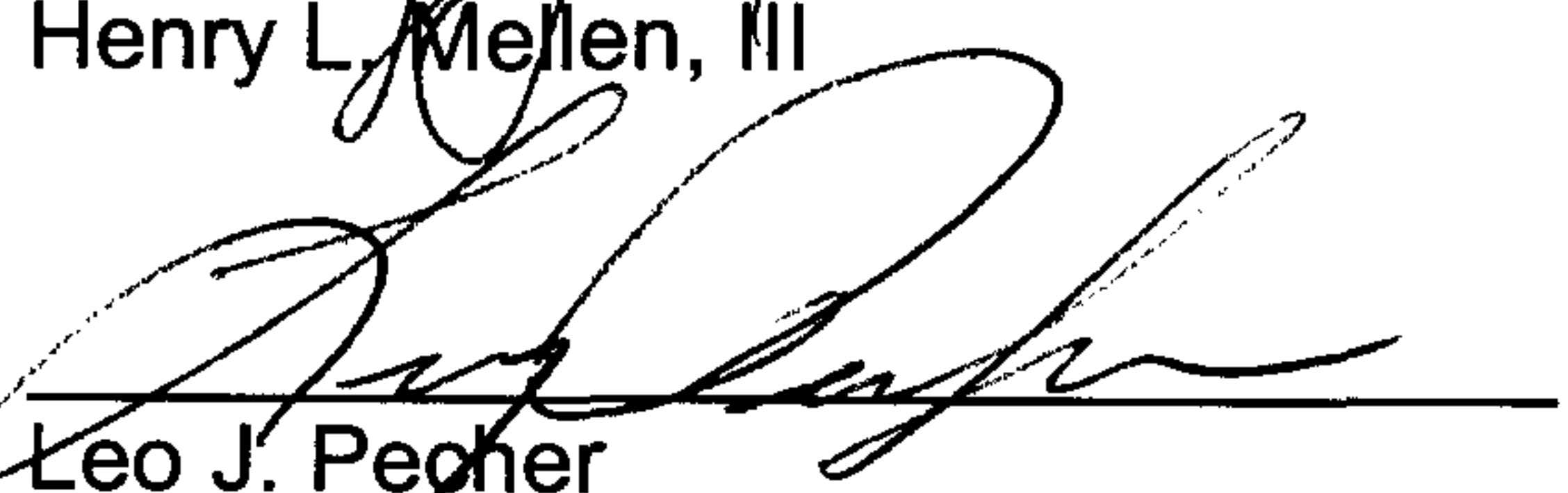
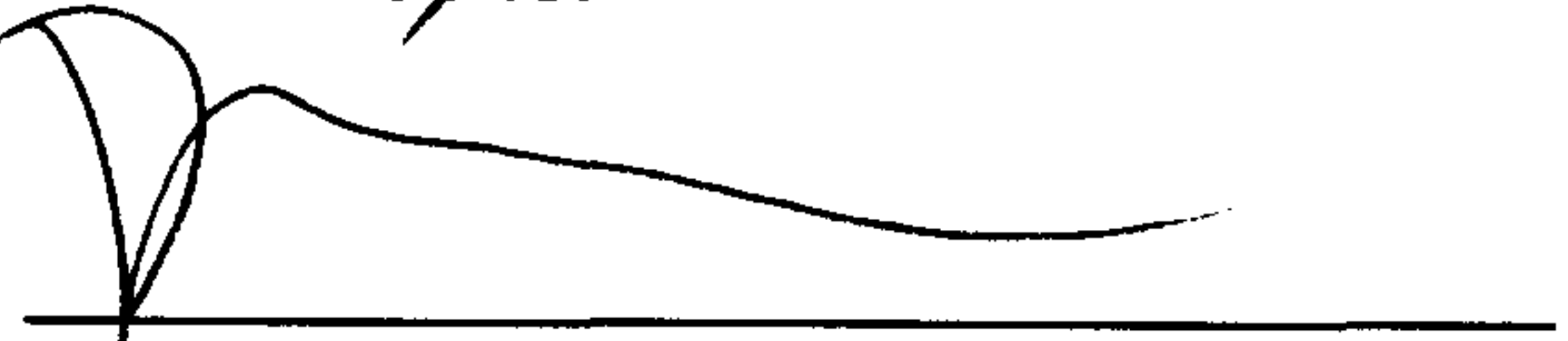
**COMPASS BANK**

By:   
Its: RELATIONSHIP MANAGER

WITNESSES:

  
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**GUARANTORS:**

  
J. Thomas Martin  
  
Henry L. Mellen, III  
  
Leo J. Pecher  
  
Derek R. Waltchack

STATE OF ALABAMA           )  
  )  
COUNTY OF JEFFERSON       )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Derel Waltchak, whose name as Authorized Member of **CORPORATE HOUSING, LLC**, an Alabama limited liability company, 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 the instrument, he, as such Authorized Member and with full authority, executed the same voluntarily for and as the act of said company.

Given under my hand this the 29<sup>th</sup> day of December, 2003.

Christina Barton Cupp  
Notary Public  
My commission expires: 7-29-06

[NOTARIAL SEAL]

STATE OF ALABAMA           )  
  )  
COUNTY OF JEFFERSON       )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Robert Smith, whose name as Manager of **COMPASS BANK**, an Alabama state banking 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 the instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said bank.

Given under my hand this the 29<sup>th</sup> day of December, 2003.

Christina Barton Cupp  
Notary Public  
My commission expires: 7-29-06

[NOTARIAL SEAL]

STATE OF ALABAMA )

COUNTY OF JEFFERSON )

I, Kathy J. Dennis, a Notary Public in and for said County in said State, hereby certify that **J. THOMAS MARTIN** 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 the instrument, he executed the same voluntarily.

Given under my hand this 6 day of <sup>January 2004</sup>~~December, 2003~~.

Kathy J. Dennis  
Notary Public  
My commission expires: 4-28-07

[NOTARIAL SEAL]

STATE OF ALABAMA )

COUNTY OF JEFFERSON )

I, Kathy J. Dennis, a Notary Public in and for said County in said State, hereby certify that **HENRY L. MELLEN, 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 the instrument, he executed the same voluntarily.

Given under my hand this 31 day of December, 2003.

Kathy J. Dennis  
Notary Public  
My commission expires: 4-28-07

[NOTARIAL SEAL]



STATE OF ALABAMA )

COUNTY OF JEFFERSON )

I, Kathy J. Dennis, a Notary Public in and for said County in said State, hereby certify that **LEO J. PECHER** 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 the instrument, he executed the same voluntarily.

Given under my hand this 6 day of ~~December, 2003.~~ January, 2004

Kathy J. Dennis  
Notary Public

My commission expires: 4-28-07

[NOTARIAL SEAL]

STATE OF ALABAMA )

COUNTY OF JEFFERSON )

I, Christina Barton Cupp, a Notary Public in and for said County in said State, hereby certify that **DEREK R. WALTCHACK** 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 the instrument, he executed the same voluntarily.

Given under my hand this 29th day of December, 2003.

Christina Barton Cupp  
Notary Public

My commission expires: 7-29-06

[NOTARIAL SEAL]

## **EXHIBIT A**

### **Description of Property**

The following property situated in Jefferson and Shelby Counties, Alabama:

All property of Borrower/Mortgagor/Debtor situated in Jefferson County, Alabama, whether now owned or hereafter acquired;

All property of Borrower/Mortgagor/Debtor situated in Shelby County, Alabama, whether now owned or hereafter acquired, including without limitation, the following:

Lot 40, according to the Survey of Lenox Place Phase One, as recorded in Map Book 19, Page 44, in the Probate Office of Shelby County, Alabama.

Lot 56, according to the Survey of The Village at Brook Highland, as recorded in Map Book 24, Page 93, in the Probate Office of Shelby County, Alabama.

Lot 262, according to the Map and Survey of Eagle Point, 2<sup>nd</sup> Sector, Phase 2, as recorded in Map Book 19, Page 67, in the Office of the Judge of Probate of Shelby County, Alabama.