20060120000032230 1/2 $14.00
Shelby Cnty Judge of Probate,AL
01/20/2006 09:51:46AM FILED/CERT

RECORDATION REQUESTED BY:
Compass Bank
Alabama Processing Center
701 South 32nd Street
Birmingham, AL 35233

WHEN RECORDED MAIL TO:
Compass Bank
Alabama Processing Center
701 South 32nd Street
Birmingham, AL 35233

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF MORTGAGE

07700102241920000000260AFS0740

THIS MODIFICATION OF MORTGAGE dated January 12, 2006, is made and executed between COBBLESTONE COVE, LTD, AN ALABAMA LIMITED PARTNERSHIP (referred to below as "Grantor") and Compass Bank, whose address is 701 South 32nd Street, Birmingham, AL 35233 (referred to below as "Lender").

MORTGAGE. Lender and Grantor have entered into a Mortgage dated May 14, 2004 (the "Mortgage") which has been recorded in SHELBY County, State of Alabama, as follows:

MORTGAGE RECORDED MAY 17, 2004 IN THE JUDGE OF PROBATE OFFICE IN BOOK 20040517000260910 PAGE 1/8 IN SHELBY COUNTY, ALABAMA. .

REAL PROPERTY DESCRIPTION. The Mortgage covers the following described real property located in SHELBY County, State of Alabama:

LOT 2B OF A RESURVEY OF LOT 2, OLD WOOLEY ESTATES, A SUBDIVISION LOCATED IN SECTION 16 TOWNSHIP 22 SOUTH, RANGE 3 WEST, SHELBY COUNTY, ALABAMA, AS SHOWN BY PLAT OF RECORD IN MAP BOOK 33, AT PAGE 48, IN THE OFFICE OF THE JUDGE OF PROBATE OF SHELBY COUNTY, ALABAMA.

The Real Property or its address is commonly known as HWY 119, MONTEVALLO, AL 35115.

MODIFICATION. Lender and Grantor hereby modify the Mortgage as follows:

TO ADD INTEREST RATE HEDGE AGREEMENT TO EXISTING LOAN.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Mortgage shall remain unchanged and in full force and effect and are legally valid, binding, and enforceable in accordance with their respective terms. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Mortgage as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Mortgage (the "Note"). It is the intention of Lender to retain as liable all parties to the Mortgage and all parties, makers and endorsers to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification.

ADDITIONAL PROVISIONS. 1. Master Agreement. Lender and Mortgagor are parties to that certain ISDA Master Agreement dated JULY 30, 2004, the schedule attached thereto and one or more confirmations issued in connection therewith (collectively, the "Master Agreement"), under the terms of which Lender and Mortgagor have entered into one or more or the following types of transactions: interest rate swap, cap, floor, collar or option.

2. Indebtedness. Mortgagor hereby agrees that all of its indebtedness under the Master Agreement shall be part of the "Indebtedness," as that term is defined in the Mortgage, and to the extent necessary, the Mortgage is hereby amended accordingly.

3. Cross-Collateral. Mortgagor agrees that the Property shall be security for the payment and performance of all of the Mortgagor's indebtedness under the Master Agreement, and that the grant of the lien contained in the Mortgage is intended to be the grant of a lien against the Property to secure all of the Indebtedness, including the indebtedness of Mortgagor under the Master Agreement, and to the extent necessary, the Mortgage is hereby amended accordingly.

4. Cross-Default. Mortgagor hereby agrees that (i) the occurrence of an Event of Default under the Mortgage shall constitute an Event of Default (as that term is defined in the Master Agreement) under the Master Agreement, and (ii) the occurrence of an Event of Default under The Master Agreement shall constitute the occurrence of an Event of Default under the Mortgage, and Lender shall thereafter have all rights and remedies following the occurrence of an Event of Default under both the Mortgage and the Master Agreement, and to the extent necessary, the Mortgage is hereby amended accordingly.

5. The Master Agreement is a Related Document, as that term is defined in this Agreement.

JURISDICTION. Except as otherwise provided, any legal action or proceeding arising out of or relating to the loan or other extension of credit secured by this instrument, or to enforce and defend any rights, remedies, or provisions contained in this instrument, (a "Proceeding") shall be instituted in the federal court for or the state court sitting in the county where Lender's office that made this loan is located. With respect to any Proceeding, brought by or against Lender, each of the other parties hereto, to the fullest extent permitted by law: (i) waives any objections that each such party may now or hereafter have based on venue and/or forum non conveniens of any Proceeding in such court; and (ii) irrevocably submits to the jurisdiction of any such court in any Proceeding. Notwithstanding anything to the contrary herein, Lender may commence legal proceedings or otherwise proceed against any other party in any other jurisdiction if determined by Lender to be necessary in order to fully enforce or exercise any right or remedy of Lender relating to this loan including without limitation realization upon collateral that secures this loan.

ERRORS AND OMISSIONS. The parties agree agrees that if deemed necessary by Lender or any agent closing the loan, change in terms, or renewal in conjunction with this Modification ("the Loan"), Lender or the agent may correct and adjust this document and any other documents executed in connection with the Loan ("Related Documents") on behalf of any other party, as if such other party were making the correction or adjustment, in order to correct clerical errors. A clerical error is information in a document that is missing or that does not reflect accurately another party's agreement with Lender at the time the document was executed. If any such clerical errors are material changes, the other party agrees to fully cooperate in correcting such errors within 30 days of the date of mailing by Lender of a request to do that. Any change in the documents after they are signed to reflect a change in the agreement of the parties is an "alteration" or "amendment," which must be in writing and signed by the party that will be bound by the change.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF MORTGAGE AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF MORTGAGE IS DATED JANUARY 12, 2006.

THIS MODIFICATION IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS MODIFICATION IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.

GRANTOR:

20060120000032230 2/2 $14.00
Shelby Cnty Judge of Probate, AL
01/20/2006 09:51:46AM FILED/CERT

COBBLESTONE COVE, LTD

HOUSING INVESTORS, INC., General Partner of COBBLESTONE COVE, LTD

By: _____ (Seal)
W. M. DINSMORE, President of HOUSING INVESTORS, INC.

LENDER:

COMPASS BANK

X _____ (Seal)
Authorized Signer

This Modification of Mortgage prepared by:

Name: P GREGORY, ALABAMA LOAN HUB
Address: 701 South 32nd Street
City, State, ZIP: Birmingham, AL 35233

STATE OF ALABAMA

COUNTY OF MORGAN

PARTNERSHIP ACKNOWLEDGMENT

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that W. M. Dinsmore, President of Housing Investors, Inc., a corporation, General Partner of Cobblestone Cove, Ltd., an Alabama Limited Partnership, is signed to the foregoing Mortgage and who is known to me, acknowledged before me on this day that, being informed of the contents of said Mortgage, he, as such general partner or designated agent and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand and official seal this 13th day of January, 2006.

_____
Notary Public

My commission expires **My Commission Expires 06-25-2007**

LENDER ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

I, the undersigned authority, a Notary Public in and for said county in said state, hereby certify that _____ _____ a corporation, is signed to the foregoing Modification and who is known to me, acknowledged before me on this day that, being informed of the contents of said Modification of Mortgage, he or she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this _____ day of _____, 20_____.

_____
Notary Public

My commission expires _____

LASER PRO Lending, Ver. 5.25.30.101 Copr. Harland Financial Solutions, Inc. 1997, 2006. All Rights Reserved. - AL D:\CFI\LPL\G201.FC TR-1203911 PR-49