

STATE OF ALABAMA)

SHELBY COUNTY)

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CONSTRUCTION LOAN AGREEMENT

WHEREAS, the undersigned, Cebu, Inc., (the "Borrower"), has applied to Leonard H. White, Jr., of Hoover, Jefferson County, Alabama, (the "Lender"), for a loan of money in the principal amount hereinafter stated for the construction of improvements on the hereinafter described property, to be secured by a first mortgage on the property hereinafter described, and the Lender desires to make the loan applied for on the terms, conditions and agreements hereinafter set forth:

NOW, THEREFORE, in consideration of the premises, and of the agreements of the parties as hereinafter set forth, and of other valuable considerations, the undersigned Borrower and Lender hereby mutually agree as follows:

The amount, interest rate, maturity and security for the construction mortgage loan, name of architect, if any, contractor, person(s) authorized to request disbursements, and permanent mortgage loan lender are as follows:

- (a) Principal amount of construction loan: \$270,000.00
- (b) Interest Rate: 12% per annum
- (c) Maturity: July 11, 1986
- (d) Real estate to be described in and conveyed by the Construction Loan Mortgage and also permanent loan mortgage or mortgages:

The SW 1/4 of SE 1/4 of SW 1/4 of Section 36, Township 19 South, Range 3 West, Shelby County, Alabama.
Mining and mineral rights excepted.

ALSO, and together with all improvements and buildings now on, and hereafter to be built on said real estate, including plumbing, heating and electrical apparatus and attachments and all fixtures of every kind and character thereon or in anywise connected therewith and all personal property described in the Construction Loan Mortgage between the Borrower and the Lender of even date herewith.

All of the above is hereinafter sometimes referred to as the "Premises."

CONDITIONS AND AGREEMENTS CONCERNING THE LOAN:

1. The Borrower agrees to take and the Lender agrees to make subject to the terms and conditions hereof, a loan in the principal sum above stated, the amount of which loan or such part thereof as shall be made, shall be advanced to the Borrower in installments, within the Lender's discretion, as hereinafter provided. The loan shall be evidenced by a demand note, (hereinafter referred to as the master note) for said principal sum, bearing even date herewith, and shall be executed by the Borrower to the order of the Lender, and shall bear interest from date at the rate above set forth, on the amounts disbursed thereunder from the date of each such advance.

[Signature]

See Partial Release Misc Book 58 Page 220 (8.13.84)
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2. The Borrower agrees to execute and deliver to the Lender a first mortgage on the Premises and improvements, buildings and fixtures now or hereafter built on the Premises, which mortgage shall convey the personal property described above to secure said note and all installment advances thereunder and hereunder, and to record said mortgage in the appropriate public office at the Borrower's expense, and to furnish at the Borrower's expense, a title policy or interim binder, issued by a title company acceptable to the Lender, showing said real estate mortgage to be a valid first lien on the property described therein, subject to current year's taxes, and to such restrictions and easements shown of record as shall be acceptable to the Lender or to the Permanent Lender.

3. The Borrower and Lender agree, anything herein, or in the note and mortgage to the contrary notwithstanding, that the Lender shall have the right, in its sole discretion, to advance the proceeds of the loan in installments, from time to time as, in the opinion of the Lender, funds are needed by the Borrower for the purposes herein expressed; and the Lender reserves the right in its discretion to advance only such part of said loan proceeds as it deems best, and to discontinue making such advances to the Borrower if, in its discretion, further or additional advances shall seem to it unjustified, unwise or undesirable or if it deems itself insecure; and said mortgage shall be and remain valid and binding as security for the aggregate amount advanced at any time, whether or not the full amount of said loan is advanced.

4. The Borrower agrees to proceed forthwith with diligence and dispatch to construct on the Premises the building or buildings and other improvements called for by the plans and specifications, a copy of which has been delivered to the Lender, and Borrower further agrees that said construction work (herein sometimes called the "Project"), shall be done strictly in accordance with plans and specifications as approved by the Permanent Lender, and with all applicable ordinances, statutes and in accordance with the requirements of all regulatory authorities having jurisdiction of the Project.

5. The Borrower agrees to use the proceeds of the loan only for the purpose of construction of this Project in accordance with the plans and specifications, and agrees that the proceeds shall not be co-mingled with other funds of the Borrower and not used for any other work or project of the Borrower. At the option of Lender advances shall be made only on the certificate of an architect approved by the Lender, to which certificate shall be attached an estimate by the contractor setting forth items to be paid out of the proceeds of each such advance. However, the Lender may, at its discretion, make advances requiring such certificate and contractor's estimate, in which event the Borrower shall furnish Lender a list of and the amounts of items to be paid out of the advances, or such other evidence that Lender may require.

6. The Lender reserves the right to require satisfactory proof (including lien waivers) as to the disposition at any time made of any monies advanced on this loan, and shall have the right to refuse to make further advances until proof satisfactory to the Lender shall have been furnished. Nothing herein contained shall be construed to require the Lender to follow the disposition or see to the proper application of any funds advanced by the Lender.

7. The Borrower agrees to execute to the Lender a request for each disbursement pursuant to a form to be provided to the Borrower by the Lender, or at the option of the Lender, draw

notes evidencing each advance by the Lender. Borrower agrees to make application to Lender for advances at least four days prior to the requested date the advance is desired, and to furnish Lender such other information with respect to such request as Lender may require.

8. If in the judgment of the Lender the proceeds of the loan or any part thereof are being or shall at any time have been diverted to a purpose other than the payment and discharge of the cost of the materials and labor entering into the Project, and other expenses relating solely to the Project which have been approved by the Lender, or in the event the Borrower violates or fails to comply with any of the terms, conditions or provisions of this agreement, or of the note and mortgage and other collateral documents held by Lender, or in the event a receiver shall be appointed by any court, of Borrower or of the property of Borrower, or any part thereof, or if there shall be a petition in bankruptcy filed by or against the Borrower, or if Borrower shall apply for the benefits of or take advantage of any law for the relief of debtors, or if the Borrower shall enter into an arrangement of composition with creditors, then upon the happening of such event, the Lender shall have the right to refuse to advance to the Borrower any additional funds, and, at its option, the Lender shall have the right without notice to Borrower, to accelerate the payment of the total advances made, and to declare the same immediately due and payable, and to declare said loan in default and subject to foreclosure as provided by the provisions of said mortgage and to foreclose said mortgage under the power of sale contained therein. The Borrower agrees that if, in the sole judgment of the Lender, Borrower violates or fails to comply with any of the provisions of this Agreement, or of the note and mortgage, then the Lender shall have the immediate right to accelerate the demand note, and all draw notes, if any, and thereupon proceed, at the Lender's option, to foreclose said mortgage, and exercise any and all other rights and remedies which the Lender may have. It is further understood and agreed that if, for any reason whatsoever, the Permanent Lender fails to purchase this loan by the expiration date of its commitment, or such further date as the Lender and the Permanent Lender may agree upon then the Lender shall have the immediate right to call the note, and thereupon proceed, at the Lender's option, to foreclose the mortgage, and exercise any and all other rights and remedies which the Lender may have. The Borrower agrees to comply with all requirements of the Permanent Lender in connection with the long-term loan.

9. In the event Borrower at any time prior to the completion of the Project abandons the same, ceases work thereon for a period of more than ten (10) consecutive days, fails to prosecute the work on the project with diligence and dispatch as may be reasonably required by the Lender, or violates or fails to comply with any of the terms, conditions, or provisions of this Agreement, or of said note and mortgage, then the Lender, at its option, and without notice to anyone, may at any time thereafter enter into possession of the Premises and perform any and all work and labor and purchase any and all materials and fixtures which it may deem necessary or desirable to complete the Project substantially in accordance with said plans and specifications, and also employ watchmen to protect the Premises from injury; all sums so advanced or paid by the Lender shall be deemed paid to Borrower and shall be secured by the mortgage. For this purpose the Borrower hereby constitutes and appoints the Lender its true and lawful attorney-in-fact, with power of substitution in the premises, to complete the project in the name of the Borrower, and hereby empowers said attorney-in-fact to sue any funds of the

Borrower, including any funds which remain unadvanced under this loan for the purpose of completing the Project, and to do and perform all acts and deeds which in the judgment and discretion of the Lender may be deemed suitable, desirable or advisable; or to employ such contractors, subcontractors and agents, architects and inspectors as shall be required for said purpose and to pay, settle or compromise all existing bills and claims which may be liens against said completion of the job, or for the same from the tenants or others. Nothing herein contained shall be construed as making the Lender a mortgagee in possession or as waiving or suspending its right to enforce payment of the debt under the terms of said mortgage and notes. The rents and other assets hereby assigned, shall when and as collected by the Lender, or by the Borrower with the Lender's permission, be deposited in the Lender's bank in a special account and there retained for credit on said notes at such time as the Lender may determine.

10. The plans and specifications heretofore delivered to the Lender may not be changed, altered or added to without the written consent of the Lender and the Permanent Lender.

11. Upon the completion of the Project, the net proceeds of the permanent loan, or such other mortgage loan as may be obtained with the consent of the Lender, shall be applied to the extend necessary to the payment of this loan. Net proceeds within the meaning hereof, shall be the gross proceeds less the usual and customary expenses incident to the consummation of said permanent loan.

12. The Borrower agrees to pay all taxes, insurance premiums, recording fees, abstract or title policy costs, attorney's fees and all other expenses and costs of every kind which may reasonably be incurred by the Lender in the making of this loan and in maintaining unimpaired its security and lien, or otherwise connected with or growing out of this transaction.

13. The Borrower agrees to keep the buildings and improvements on the Project fully insured at all times during construction and other completion, and to keep fully insured all building materials at any time located on the Project, the insurance policies to be issued by such companies, and against such hazards as may be approved by the Lender. All such insurance policies shall contain appropriate loss payable clauses in favor of, and said policies shall be deposited with, the Lender.

14. The Borrower agrees to pay, as the work progresses, all bills for labor and materials going into the construction of the Project, and agrees to submit to the Lender all such receipts, affidavits, cancelled checks or other evidences of payment as may be requested from time to time, and when and if requested by the Lender at any time to furnish adequate proof of payment of all indebtedness of every kind and character incurred in the development of the Project. When the Borrower pays bills, invoices and statements, he shall on the check, identify the bill, invoice or statement which is being paid and the project by reference to the lot and block number or other identification satisfactory to the Lender.

15. The Borrower agrees to locate and construct the building or buildings on said real estate so as to comply with and violate no building and use restrictions on, against or applicable to the above described land and improvements to be placed thereon; and agrees to furnish, within ten (10) days after laying the foundation of each such building, a survey

in the form and made by a competent surveyor meeting the approval of the Lender, showing all building line restrictions fully complied with.

16. If requested by the Lender, the Borrower agrees to require the contractor and all other contractors with whom Borrower may contract for construction of any substantial portion of the project to furnish bond covering the faithful performance of his contract and the payment of all obligations for labor and materials arising thereunder, in such form and with such sureties as are acceptable to Lender, and further Borrower agrees to assign said bonds to Lender as additional security for the repayment of the aforesaid loan and the faithful performance of this loan agreement.

17. Borrower agrees to execute all such other, further, different agreements, affidavits, powers of attorney, transfers, pledges, assignments, conveyances, notes, assurances, confirmations and other papers as may reasonably be requested by the Lender from time to time in and about the carrying out of the provisions of this loan agreement, or for the purpose of protecting, maintaining and enforcing the Lender's security for said loan.

18. If the preclosed procedure is used for this loan, Borrower recognizes that such procedure is being used solely for the accommodation of the Borrower; consequently, Borrower covenants and agrees not to do any act or thing prohibited by the terms of this Agreement or the terms of the aforesaid permanent commitment agreement of the Permanent Lender which would cause said commitment to tend not to be in effect, cancelled or withdrawn and it is expressly agreed that in the event such happening should occur all obligation on the part of the Lender to make said loan or to make any further advance shall, if the Lender so elects, cease and terminate, and the said note and mortgage shall at the option of the Lender, be due and payable, but the Lender may make any advances or parts of advances after the happening of any such event without thereby waiving the right to demand payment of the mortgage debt and without becoming liable to make any other or further advances. Borrower does further covenant and agree that it will do anything necessary or required by Lender to meet the terms and conditions of the commitment of the Permanent Lender so that this loan might be transferred to said Permanent Lender upon completion of construction or at any time the Permanent Lender shall so request, which shall include, but not be limited to, execution and delivery of any required instruments including any new notes, mortgages, assignments of rentals, etc., payment of the promissory note delivered as consideration for said commitment, payment of any additional fees required by the Permanent Lender, and obtaining extensions and/or waivers of requirements of said commitment when necessary.

19. The Borrower specifically authorizes and directs the Lender to make disbursements on this loan upon a written request pursuant to Paragraph 7 hereof made by the persons designated to execute disbursements requests. Each Borrower whose name is signed to this agreement shall be liable for all such advances made upon request of the above named notwithstanding the failure of each of the Borrowers to execute the request for disbursement or draw note, it being the intention of the Borrowers to make such requests for advances. The Borrowers do specifically ratify and confirm to the Lender the Borrower's liability for advances made pursuant to this Paragraph.

20. If the permanent loan on the Project is to be insured or guaranteed by the FHA or VA, or if inspections of the Project are made by the FHA or VA, the Borrower shall furnish the Lender a copy of each such inspection report.

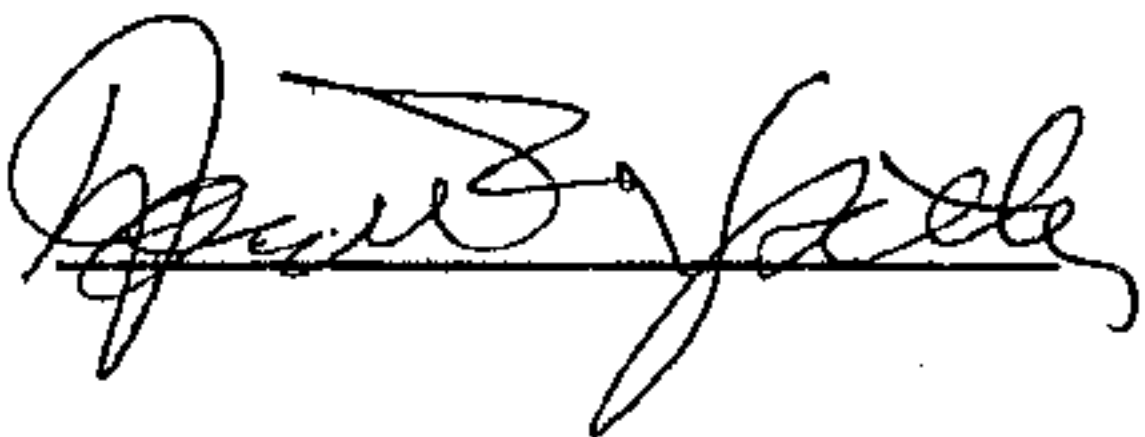
21. The Borrower will not further encumber or convey the Premises without the prior written consent of the Lender.

22. The Borrower represents and warrants to the Lender that the Premises are completely vacant, that no materials of any kind have been ordered or furnished to the Premises; that no labor has been performed thereon incident to the contemplated Project; and the Borrowers have not received any notice of a claim of a mechanics' or materialmen's lien against the Premises. This warranty and representation is given as a material inducement to the Lender to make this loan.

23. Plural or singular words used herein to designate the Borrower shall be construed to refer to the person or persons, firm or corporation, whether one or more than one, obtaining from the Lender the loan above referred to; and all covenants and agreements herein made by the undersigned Borrower shall bind the heirs, personal representatives, successors and assigns of all those undersigned designated as Borrower; and every option, right and privilege herein reserved or secured to the Lender, shall inure to the benefit of the Lender's successors and assigns, and the failure to exercise any right by Lender shall not be construed as a waiver of such right.

WITNESS the signatures of the undersigned Borrower and the undersigned Lender on this the 12th day of July, 1983.

Witness:

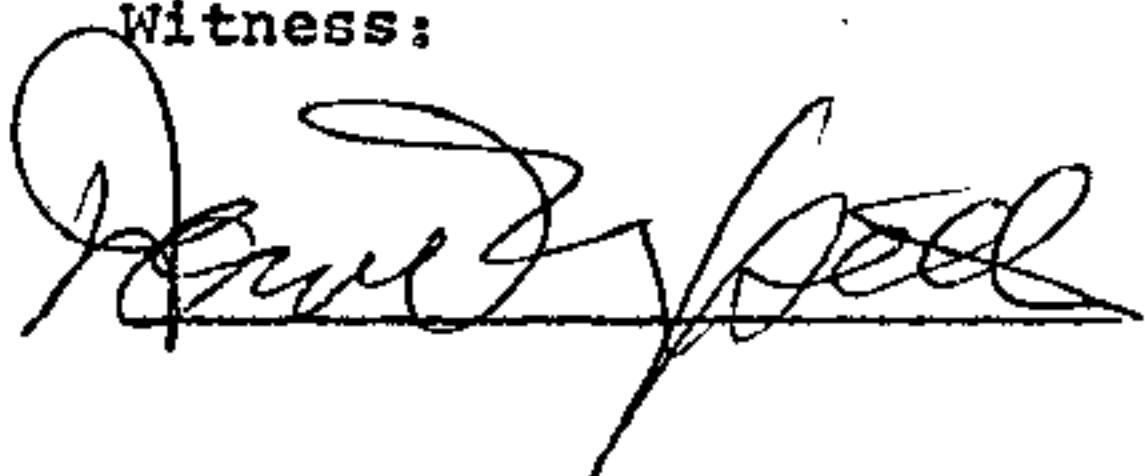


BORROWER:

CEBU, INC.

By: Nancy W. Edwards
NANCY W. EDWARDS, President

Witness:



LENDER:

Leonard H. White, Jr.
LEONARD H. WHITE, JR.

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
DOCUMENT WAS FILED
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John A. [unclear]
CLERK OF COURTS

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