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STATE OF ALABAMA)

COUNTY OF SHELBY)

**MORTGAGE
AND SECURITY AGREEMENT**

THIS INDENTURE is being executed by DANIEL MEADOW BROOK ONE, LTD., a Virginia limited partnership, as Mortgagor (hereinafter referred to as "Borrower") and DANIEL U.S. PROPERTIES, LTD., a Virginia limited partnership (hereinafter referred to as "Fee Owner") to AMSOUTH BANK N.A. (herein referred to as "Lender").

The Lender is making a loan to Borrower in the principal amount of \$19,850,000 (the "Loan"), evidenced by a Promissory Note of even date herewith. In consideration of the Loan, to induce the Lender to make the Loan, and to secure the prompt payment of same, with the interest thereon, and any extensions or renewals of same, and further to secure the performance of the covenants, conditions and agreements hereinafter set forth, Daniel Realty Company, a New York general partnership, has this day executed a Guaranty of Payment and a Guaranty of Completion to Lender, and the Borrower has this day executed an Assignment of Rents and Leases, a Construction Loan Agreement, and various other loan documents in favor of Lender (all of the foregoing, together with the abovesaid Note, being referred to herein sometimes as the "Loan Documents"), and Borrower and Fee Owner hereby do irrevocably grant, bargain, sell, alien, remise, release, confirm and convey to Lender, and to its successors and assigns, in fee simple, with right of entry and possession as provided below, the following described property (all of which as described in (A) through (H) below, is referred to herein as the "Mortgaged Property"):

(A) The real property (the "property") described in the attached Exhibit A which is incorporated into this Mortgage by reference, and all minerals, oil, gas and other hydrocarbon substances on the property and owned by Fee Owner or Borrower, as well as all development rights, air rights, water, water rights, and water stock relating to the property, and all estates, rights, titles, interest, privileges, liberties, tenements, hereditaments, and appurtenances whatsoever in any way belonging, relating or appertaining to any of the property, and the reversion and reversions, remainder and remainders, rents, issues, profits thereof, and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law and in equity of the Borrower of, in and to the same, including but not limited to the other rights herein enumerated.

(B) All present and future structures, buildings, improvements, septic systems, sewage lines and equipment, appurtenances and fixtures of any kind on the property, whether now owned or hereafter acquired by Borrower, including but not limited to all apparatus, equipment and appliances used in connection with the operation or occupancy of the property, such as heating and air-conditioning systems and facilities used to provide any utility services (including sewage services), refrigeration, ventilation, laundry, drying, dishwashing, garbage disposal, recreation or other services on the property, including without limitation all swimming pools,

This instrument was prepared by
GUY V. MARTIN, JR.
1900 SouthTrust Tower
BIRMINGHAM, ALABAMA 35203

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Please Return This Instrument To
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1900 SouthTrust Tower
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tennis courts, and related facilities, and all window coverings, and pumping stations and other equipment used in connection with the existing sewage system and any sewage line to be constructed on the property, it being intended and agreed that all such items will be conclusively considered to be a part of the real property conveyed by this Mortgage, whether or not attached or affixed to the property (the "Improvements").

(C) All appurtenances of the property and all rights of the Borrower in and to any streets, roads or public places, easements or rights of way, relating to the property, including but not limited to all rights of the Borrower to any septic system, sewer line, agreements, permits, easements, equipment, licenses, resolutions, and related rights pertaining to any sewer and septic system constructed on the property.

(D) All of the rents, royalties, profits and income of the property, and all rights of the Borrower under all present and future leases affecting the property, including but not limited to any security deposits.

(E) All proceeds and claims arising on account of any damage to or taking of the property or any Improvements thereon or any part thereof, and all causes of action and recoveries for any loss or diminution in the value of the property or any Improvements.

(F) All building materials, equipment, fixtures and fittings of every kind or character now owned or hereafter acquired by the Borrower for the purpose of being used or useful in connection with the Improvements located or to be located on the property, whether such materials, equipment, fixtures and fittings are actually located on or adjacent to the property or not, and whether in storage or otherwise, wheresoever the same may be located. Property herein conveyed and mortgaged shall include, but without limitation, all lumber and lumber products, bricks, building stones and building blocks, sand and cement, roofing material, paint, doors, windows, hardware, nails, wires and wiring, plumbing and plumbing fixtures, sewer lines and pumping stations and fixtures and equipment, heating and air conditioning equipment and appliances, electrical and gas equipment and appliances, pipes and piping, ornamental and decorative fixtures, furniture, ranges, refrigerators, dishwashers, disposals, and in general all building materials and equipment of every kind and character used or useful in connection with said Improvements.

(G) All general intangibles relating to the development or use of the property, including but not limited to all governmental permits relating to construction on the property, all names under or by which the property or any Improvements on the property may at any time be operated or known, and all rights to carry on business under any such names or any variant thereof, and all trademarks and goodwill in any way relating to the property; and

(H) All water stock relating to the property, all shares of stock or other evidence of ownership of any part of the property that is owned by the Borrower in common with others, and all documents of membership in any owners' or members' association or similar group having responsibility for managing or operating any part of the property.

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This instrument secures:

(1) Payments and performance of the Borrower's indebtedness and obligations under the Note evidencing the Loan (the "Note"), including all extensions, renewals, substitutions and modifications of and to the Note.

(2) The payment and performance of the Borrower's and Fee Owner's obligations under this Mortgage, and under all of the other Loan Documents.

(3) The payment of all sums advanced or paid out by the Lender under any provision of this Mortgage or the other Loan Documents or to protect the security of this Mortgage.

(4) The payment of the principal and interest on all other future loans or advances made by the Lender to the Borrower (or any successor in interest to the Borrower as the owner of all or any part of the Mortgaged Property) when the promissory note evidencing the loan or advance specifically states that it is secured by the Mortgage ("FUTURE ADVANCES"), including all extensions, renewals and modifications of any Future Advances.

(5) The payment and performance of the Borrower's obligations under all other present and future agreements executed by the Borrower in favor of the Lender and relating to the Note or any one or more of the Loan Documents; and the payment of any and all other indebtedness and liabilities owing by the Borrower to the Lender, howsoever contracted for, whenever arising, whether direct or indirect, contingent or otherwise, so long as said indebtedness and liabilities are incurred in connection with the property, the Improvements, and/or the Mortgaged Property, including without limitation the construction, repair, completion, or maintenance, of the Mortgaged Property. Said indebtedness and liabilities are referred to as "Project Related Costs."

TO HAVE AND TO HOLD the Mortgaged Property and all parts thereof unto Lender and to its successors and assigns forever, subject however to the terms and conditions herein:

PROVIDED, HOWEVER, that these presents are upon the condition that, if the Borrower shall pay or cause to be paid to the Lender the principal and interest payable in respect to the Note, at the times and in the manner stipulated therein and herein, all without any deduction or credit for taxes or other similar charges paid by the Borrower, and shall keep, perform and observe all and singular the covenants and promises in the Note, this Mortgage, and in all of the other Loan Documents, and any renewal, extension or modification thereof, expressed to be kept, performed, and observed by and on the part of the Borrower, all without fraud or delay, then this Mortgage, and all the properties, interest and rights hereby granted, bargained, and sold shall cease, determine and be void, but shall otherwise remain in full force and effect.

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ARTICLE I

COVENANTS OF BORROWER

In addition to covenants contained elsewhere herein, the Borrower covenants and agrees with the Lender as follows:

1. To pay and perform all indebtedness and obligations that are secured by this Mortgage and the other Loan Documents in accordance with the terms thereof.

2. Borrower and Fee Owner covenant and represent that this Mortgage has been duly executed and delivered and represents the valid and enforceable obligations of Borrower and Fee Owner in accordance with the terms thereof. Borrower and Fee Owner agree to execute and deliver to the Lender on demand and at Borrower's cost and expense any documents, further required mortgages, and instruments of further assurance required or desired by Lender to effectuate, complete, or perfect, or to continue and preserve (a) the obligations of the Borrower and Fee Owner under this Mortgage, and (b) the lien of this Mortgage as a first and prior lien upon all of the Mortgaged Property, whether now owned or hereafter acquired by the Borrower. Upon any failure of Borrower or Fee Owner to do so, Lender may execute and record any such instruments for and in the name of Borrower and Fee Owner and Borrower and Fee Owner irrevocably appoint Lender the agent and the attorney-in-fact of Borrower and Fee Owner to do so. The lien hereof will automatically attach, without further act, to all after-acquired property attached to and/or used in the operation of the Mortgaged Property.

3. (a) All of the existing and future rents, royalties, income and profits of the Mortgaged Property that arise from its use or occupancy are hereby absolutely and presently assigned to the Lender. Upon any default by the Borrower, Lender may in its discretion at any time without notice to the Borrower (except for such notices required herein or in the Assignment of Rents and Leases) collect the rents, royalties, income and profits itself or by an agent or receiver. No action taken by the Lender to collect any rents, royalties, income or profits will make the Lender a "mortgagee-in-possession" of the Mortgaged Property. Possession by a court-appointed receiver will not be considered possession by the Lender. All rents, royalties, income and profits collected by the Lender or a receiver will be applied first to pay all expenses of collection, and then to the payment of all costs of operation and management of the Mortgaged Property, and then to the payment of the indebtedness and obligations secured by this Mortgage in whatever order the Lender directs in its absolute discretion and without regard to the adequacy of its security.

(b) Borrower will not execute any leases, management or leasing agreements, or occupancy agreements affecting any of the Mortgaged Property without first having received the prior written approval from Lender of the form and content of the same and/or of the managing agent. Without limiting the foregoing, any managing, leasing, or similar fee shall be subordinated to the lien of this instrument.

(c) Without the prior written consent of the Lender, the Borrower shall not accept prepayments of rent exceeding one month under any leases or occupancy

agreements affecting any of the Mortgaged Property, nor modify or amend any such leases or occupancy agreements, nor in any manner impair the Borrower's interest in the rents, royalties, income and profits of the Mortgaged Property. The Borrower will perform all covenants of the lessor under any such leases or occupancy agreements. Upon the Lender's request, the Borrower will execute and deliver to Lender for recordation an Assignment of Leases on the Lender's form.

(d) If required by the Lender, each lease or occupancy agreement affecting any of the Mortgaged Property must provide, in a manner approved by the Lender, that the lease or occupancy agreement is junior and subordinate to the lien of this mortgage, and that the tenant will recognize as its lessor any person succeeding to the interest of the Borrower upon any foreclosure of this Mortgage.

(e) Nothing herein shall render Lender liable under any existing or future lease, regardless of the collection of rents thereunder, for any of the covenants or agreements of Borrower under such leases.

4. Without the prior written consent of the Lender, (a) the Borrower shall not encumber any interest in the Mortgaged Property or sell, contract to sell, lease with an option to purchase, or otherwise transfer any interest in the Mortgaged Property; (b) no general or limited partner of Borrower (if Borrower is a partnership) shall contract to sell, lease with option to purchase, or otherwise transfer any interest in Borrower as a partner of Borrower; (c) no stockholder of Borrower (if Borrower is a corporation) shall contract to sell, lease with option to purchase, or otherwise transfer any interest in Borrower as a stockholder of Borrower; and (d) Borrower shall not sell, assign or otherwise dispose of or permit the sale, assignment or other disposition of, any legal or beneficial interest in the stock of Borrower, if a corporation, or in any general or limited partnership interest in Borrower, if a general or limited partnership. As used in this paragraph, a joint venture shall be deemed to be a general or limited partnership. The foregoing restrictions shall also apply to any sale, conveyance, transfer or pledge of a beneficial interest in Borrower, if a trust or any other entity. Lender shall not be obligated to consent to any such encumbrance, sale, contract, lease, or other transfer (all said encumbrances, sales, contracts, leases, and other transfers described above being collectively referred to as a "Prohibited Transfer"), and Lender's consent may be withheld regardless of whether any Prohibited Transfer may or may not impair Lender's security or whether or not it may or may not be reasonable (commercially or otherwise) for Lender to consent to any Prohibited Transfer. Without limiting the foregoing, Lender's consent may, if given in Lender's sole unfettered discretion, be conditioned upon (by way of illustration only and not being limited to): an increase in the interest rate, an approval of the credit of any such grantee, vendee, optionee, or transferee, a management contract acceptable to Lender with a manager acceptable to Lender, an assignment to Lender of any security given to Borrower in connection with the transaction, including without limitation, any purchase money second mortgage, and/or a change in any of the other terms and conditions of this Mortgage or in any of the related loan documents. Any Prohibited Transfer made without the consent of Lender shall be void.

Notwithstanding anything provided herein to the contrary, Lender hereby consents to (i) the sale and transfer of the Mortgaged Property to DANIEL REALTY COMPANY, a New York general partnership ("DRCompany"), any affiliate,

subsidary or sub-subsidiary of DRCompany including any general or limited partnership in which DRCompany or any affiliate, subsidiary or sub-subsidiary of DRCompany is a general partner; (ii) the transfer of the stock of any general partner of Borrower to any affiliate, subsidiary or sub-subsidiary of DRCompany; (iii) the admission of additional general and limited partners in Borrower or any general or limited partnership to which Borrower has transferred the Mortgaged Property as authorized by (and subject to) the provisions of subparagraph (i) above, and (iv) the execution by Fee Owner of a Prohibited Transfer, provided that no such Prohibited Transfer will operate to relieve or alter any obligation of Fee Owner, hereunder, and all Prohibited Transfers shall be subject to this Mortgage. As used in this subparagraph, the terms "affiliate, subsidiary or sub-subsidiary" shall refer only to entities which are wholly owned by DRCompany or Daniel Realty Corporation, an Alabama corporation. No transfer permitted under this subparagraph shall affect, alter or diminish the liability of DRCompany under the Guaranty of Payment or Guaranty of Completion, described hereinabove.

5. (a) Borrower will not commit any waste on the Mortgaged Property or take any actions that might invalidate any insurance carried on the Mortgaged Property. Borrower will maintain the Mortgaged Property and all Improvements thereon in good condition and repair. No Improvements may be removed, demolished or materially altered without the prior written consent of Lender. No personal property in which the Lender has a security interest may be removed from the Mortgaged Property unless it is immediately replaced by similar property of at least equivalent value on which Lender will immediately have a valid first lien and security interest.

(b) Without the prior written consent of Lender, Borrower will not seek, make or consent to any change in the zoning or conditions of use of the Mortgaged Property. Borrower will comply with and make all payments required under the provisions of any covenants, conditions or restrictions affecting the Mortgaged Property, including but not limited to those contained in any declaration and constituent documents of any condominium, cooperative or planned development project on the Mortgaged Property. Borrower will comply with all existing and future requirements of all governmental authorities having jurisdiction over the Mortgaged Property.

6. Borrower will keep at all times full, true, and accurate books and records of account of the Mortgaged Property and its own financial affairs sufficient to reflect correctly the results of all operations, leasing, and other income-producing activities by Borrower on the Mortgaged Property, and to permit the preparation of financial statements therefrom in accordance with federal income tax accounting principles. Lender will have the right to examine, copy and audit Borrower's records and books of account at all reasonable times. Borrower will deliver to Lender, upon such times as may be requested by Lender, and in no event less than ninety (90) days after the end of every calendar year from date hereof, whether or not requested by Lender, certified financial and profit-and-loss statements prepared in accordance with sound accounting practices for the Mortgaged Property. Such statements and information shall be prepared in accordance with generally accepted accounting principles, by an independent certified public accountant approved by Lender in advance of delivery of such statements and information.

7. Borrower will, at its own expense, appear in and defend any action or proceeding that might affect Lender's security or the rights or powers of the Lender or that purports to affect any of the Mortgaged Property. If the Borrower fails to perform any of its covenants or agreements contained in this Mortgage, or if any action or proceeding of any kind (including but not limited to any bankruptcy, insolvency, arrangement, reorganization or other debtor-relief proceeding) is commenced which might affect the Lender's interest in the Mortgaged Property or the Lender's right to enforce its security, then the Lender may, at its option, make any appearances, disburse any sums and take any actions as may be necessary or desirable to protect or enforce this Mortgage or to remedy the failure of Borrower to perform its covenants (without, however, waiving any default of the Borrower). Borrower agrees to pay all reasonable expenses of the Lender thus incurred (including but not limited to fees and disbursements of counsel). Any sums disbursed by the Lender will be additional indebtedness of the Borrower secured by this Mortgage, will bear interest at the after-maturity rate required by the Note, and will be payable by the Borrower upon demand. This paragraph will not be construed to require Lender to incur any expenses, make any appearances, or take any actions.

8. This Mortgage constitutes a SECURITY AGREEMENT with respect to all personal property in which Lender is granted a security interest thereunder, and Lender shall have all of the rights and remedies of a secured party under the ALABAMA UNIFORM COMMERCIAL CODE as well as all other rights and remedies available at law or in equity. Borrower hereby agrees to execute and deliver on demand and hereby irrevocably constitutes and appoints Lender the attorney-in-fact of Borrower, to execute, deliver and, if appropriate, to file with the appropriate filing officer or office such security agreements, financing statements, continuation statements or other instruments as Lender may request or require in order to impose, perfect or continue the perfection of, the lien or security interest created hereby. Upon the occurrence of any default hereunder, Lender shall have the right to cause any of the Mortgaged Property which is personal property and subject to the security interest of Lender hereunder to be sold at any one or more public or private sales as permitted by applicable law, and Lender shall further have all other rights and remedies, whether at law, in equity, or by statute, as are available to secured creditors under applicable law. Any such disposition may be conducted by an employee or agent of Lender. Any person, including both Borrower and Lender, shall be eligible to purchase any part or all of such property at such disposition.

Expenses of retaking, holding, preparing for sale, selling or the like shall be borne by Borrower and shall include Lender's attorneys' fees and legal expenses. Borrower, upon demand of Lender, shall assemble such personal property and make it available to Lender at the Premises, a place which is hereby deemed to be reasonably convenient to Lender and Borrower. Lender shall give Borrower at least five (5) days' prior written notice of the time and place of any public sale or other disposition of such property or of the time of or after which any private sale or other intended disposition is to be made, and if such notice is sent to Borrower, as the same is provided for the mailing of notices herein, it is hereby deemed that such notice shall be and is reasonable notice to Borrower.

9. The Fee Owner covenants that it is lawfully seized of an indefeasible estate in fee simple in the property (described in Exhibit A) hereby mortgaged, subject to the Permitted Exceptions. Borrower and Fee Owner covenant that

Borrower is lawfully seized of a first and prior leasehold estate in the said property, and that Borrower has good and absolute title to said leasehold estate subject to the Permitted Exceptions. Borrower covenants that Borrower has good and absolute title to those items of personal property hereby mortgaged which are now existing and used or useful in connection with the improvements on the property (the "Existing Personalty"). Fee Owner and Borrower further covenant that Fee Owner and Borrower, respectively, have good right, full power and lawful authority to sell, convey and mortgage the said property and the Existing Personalty in the manner and form aforesaid; that, except for the Permitted Exceptions attached as Exhibit B hereto, the said property and the Existing Personalty are free and clear of all liens, charges, and encumbrances whatsoever, including, as to the Existing Personalty and fixtures, conditional sales contracts, chattel mortgages, security agreements, financing statements, and anything of a similar nature; and that Fee Owner and Borrower shall and will warrant and forever defend the title thereto unto the Lender, its successors and assigns, against the claims of all persons whomsoever, except with respect to the Permitted Exceptions attached as Exhibit B attached hereto, and except that Fee Owner makes no said warranty or covenant respecting the Existing Personalty.

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10. The Borrower will pay or reimburse the Lender for all attorney's fees, costs and expenses incurred by the Lender in connection with the closing of this loan (whether or not collected at closing and including without limitation all title, recording, survey, and legal fees and expenses), in any proceeding involving the estate of a decedent or an insolvent, or in any action, proceeding or dispute of any kind in which the Lender is involved or is made a party, or appears as party plaintiff or defendant, affecting the Note, Mortgage, and other Loan Documents, Borrower or Mortgaged Property, including but not limited to the foreclosure of this Mortgage, any condemnation action involving the Mortgaged Property, or any action to protect the security hereof and in any situation where Lender employs an attorney to protect the Lender's rights hereunder, whether or not legal proceedings are commenced or involved; and any such amounts paid by the Lender shall be added to the indebtedness and secured by the lien of this Mortgage.

11. Borrower understands that any septic system or sewage treatment facility or sewer line on the property or to be constructed from the property to a public sewer line and all personal property and rights therein owned by Borrower are conveyed to Lender hereunder as part of the Mortgaged Property, whether located on the property described in Exhibit A or adjacent to or connected with the same. Borrower covenants not to allow any tie-ons or connections to any such sewer facility or sewer line or to allow any person to use the sewer facility or sewer line or to make any modifications in the plans and specifications or construction contract for the construction of any such sewer facility or sewer line without the written consent of Lender. Borrower understands that such consent may be withheld and/or conditioned upon receipt of documentation and assurances acceptable to the Lender, and that the Lender will have the first right and lien as secured hereby to any moneys or revenues arising from any such tie-ons, connections, or use.

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ARTICLE II

EVENTS OF DEFAULT

A default will exist under this Mortgage if:

(a) Borrower fails to make any payment required by the Note or fails to make any other payment required under the Loan Documents and does not cure such failure within five (5) days after receipt of written notice thereof; or

(b) Borrower terminates or suspends its business, or permits an attachment or judicial seizure of any substantial part of its assets; or

(c) Borrower, or any general partner of the Borrower or any trustee of the Borrower, files a petition in bankruptcy or for an arrangement, reorganization or any other form of debtor-relief under any present or future law relating to bankruptcy or debtor-relief, or such a petition is filed against the Borrower, or against any general partner of the Borrower or any trustee of the Borrower, and Borrower does not oppose that filing or the petition is not dismissed within 60 days after filing, or Borrower makes an assignment for the benefit of its creditors; or

(d) There has occurred a breach of, or default under, or failure of, any term, covenant, agreement, condition, provision, representation, or warranty contained by Fee Owner or Borrower, in this Mortgage or in any other Loan Document or under any agreement which guarantees any part of the indebtedness or obligations secured by this Mortgage which is not cured within thirty (30) days after receipt of notice of the same; or

(e) Any representation or disclosure made to the Lender by the Borrower or by any guarantor of any indebtedness or obligations secured by this Mortgage, proves to be materially false or misleading on the date as of which made, whether or not that representation or disclosure appears in this Mortgage or in any of the other Loan Documents, or in the loan commitment; or

(f) Any other event occurs which, under the Note or under any other Loan Document, constitutes a default by the Borrower or gives the Lender the right to accelerate the maturity of any part of the indebtedness secured by this Mortgage.

Notwithstanding any provision in any Loan Document to the contrary, no notice or cure rights conferred under any one or more of the Loan Documents shall be cumulative.

ARTICLE III

REMEDIES

1. If a default occurs (as described in Article II), the Lender may, at its continuing option, and without notice to or demand upon the Borrower (except such notices which may otherwise be required under Article II):

(a) Declare any or all indebtedness secured by this Mortgage to be due and payable immediately;

(b) Enter onto the Mortgaged Property, in person or by agent or by court-appointed receiver, and take any and all steps which may be desirable in the Lender's judgment to manage and operate the Mortgaged Property, and the Lender may apply any rents, royalties, income or profits collected against the indebtedness secured by this Mortgage without in any way curing or waiving any default to the Borrower;

(c) Bring a court action at law or in equity (1) to foreclose this Mortgage (2) or to enforce its provisions or any of the indebtedness or obligations secured by this Mortgage, either or both, concurrently or otherwise, and one action or suit shall not abate or be a bar to or waiver of Lenders right to institute or maintain the other, provided that Lender shall have only one payment and satisfaction of the indebtedness;

(d) Cause any or all of the Mortgaged Property to be sold under the power of sale granted by this Mortgage in any manner permitted by applicable law;

(e) Exercise any other right or remedy available under law or in equity;

(f) Sell the Mortgaged Property at public outcry to the highest bidder for cash in front of the Court House door in the county where said property is located, either in person or by auctioneer, after having first given notice of the time, place and terms of sale by publication once a week for three (3) successive weeks prior to said sale in some newspaper published in said county, and, upon payment of the purchase money, Lender or any person conducting the sale for Lender is authorized to execute to the purchaser at said sale a deed to the premises so purchased. Lender may bid at said sale and purchase said premises, or any part thereof, if the highest bidder therefor. At the foreclosure sale the Mortgaged Property may be offered for sale and sold as a whole without first offering it in any other manner or may be offered for sale and sold in any other manner Lender may elect in its sole discretion.

2. The proceeds of any sale under this Mortgage will be applied in the following manner:

FIRST: Payment of the costs and expenses of the sale, including but not limited to Lender's reasonable fees, legal fees and disbursements, title charges and transfer taxes, and payment of all expenses, liabilities and advances of the Lender, together with interest at the rate provided under the Note on all advances made by the Lender.

SECOND: Payment of all sums expended by the Lender under the terms of this Mortgage and not yet repaid, together with interest on such sums at the rate provided under the Note.

THIRD: Payment of the indebtedness and obligations of the Borrower secured by this Mortgage in any order that the Lender chooses.

FOURTH: The remainder, if any, to the person or persons appearing of record to be the owner of the premises.

3. Borrower and Fee Owner waive all rights to direct the order or manner in which any of the Mortgaged Property will be sold in the event of any sale under this Mortgage, and also any right to have any of the Mortgaged Property marshalled upon any sale. Lender may in its discretion sell all the personal and real property together or in parts, in one or more sales, and in any sequence Lender selects.

4. All remedies contained in this Mortgage are cumulative, and the Lender also has all other remedies provided by law or in any other agreement between the Borrower and the Lender. No delay or failure by the Lender to exercise any right or remedy under this Mortgage will be construed to be a waiver of that right or remedy or of any default by the Borrower. The Lender may exercise any one or more of its rights and remedies at its option without regard to the adequacy of its security.

5. Borrower will pay all of the Lender's expenses incurred in any efforts to enforce any terms of this Mortgage, whether or not any lawsuit is filed, including but not limited to reasonable legal fees and disbursements, foreclosure costs and title charges.

ARTICLE IV

GENERAL PROVISIONS

4.1 Partial Invalidity. The invalidity or unenforceability of any one or more provisions of this Mortgage will in no way affect any other provision.

4.2 Monthly Tax Deposits. Upon any default by Borrower and, if requested by Lender, the Borrower will pay to the Lender on the first day of each month together with and in addition to the regular installment of principal and interest, until the Note is fully paid, an amount equal to one-twelfth (1/12) of the yearly taxes and assessments as estimated by the Lender to be sufficient to enable the Lender to pay, at least thirty (30) days before they become due, all taxes, assessments, and other similar charges against the Mortgaged Property or any part thereof. Such added payments shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of the Lender, and no interest shall be payable in respect thereof. Such amounts shall be used by Lender to pay ad valorem taxes and assessments when due, or before they become delinquent. Upon demand of the Lender the Borrower agrees to deliver to the Lender such additional moneys as are necessary to make up any deficiencies in the amounts necessary to enable the Lender to pay such taxes, assessments and similar charges. In the event of a default by the Borrower in the performance of any of the terms, covenants or conditions in the Note or Mortgage, the Lender may apply to the reduction of the sums secured hereby, in such manner as the Lender shall determine, any amount under this Paragraph remaining to the Borrower's credit.

4.3 Other Taxes, Utilities and Liens.

(a) The Borrower will pay promptly, when and as due, and will promptly exhibit to the Lender receipts for the payment of, all taxes, assessments,

water rates, dues, charges, fines and impositions of every nature whatsoever imposed, levied or assessed or to be imposed, levied or assessed upon or against the Mortgaged Property or any part thereof, or upon the interest of the Lender in the Mortgaged Property as well as all income taxes, assessments and other governmental charges lawfully levied and imposed by the United States of America or any state, county, municipality, borough or other taxing authority upon the Borrower or in respect of the Mortgaged Property or any part thereof, or any charge which, if unpaid, would become a lien or charge upon the Mortgaged Property prior to or equal to the lien of the Mortgage for any amounts secured hereby or would have priority or equality with the Mortgage in distribution of the proceeds of any foreclosure sale of the Mortgaged Property or any part thereof; provided, however, Borrower shall not be required to pay any taxes, assessments and similar charges for the payment of which Lender has required the monthly deposits in Section 4.2 above.

(b) The Borrower will promptly pay all charges by utility companies, whether public or private, for electricity, water, sewer or other utilities.

(c) The Borrower shall promptly pay and will not suffer any mechanic's, laborer's, statutory or other lien which might or could be prior to or equal to the lien of the Mortgage to be created or to remain outstanding upon any of the Mortgaged Property.

(d) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of mortgages or debts secured by mortgages or the manner of collecting taxes so as to affect adversely the Lender with respect to the Loan and Borrower shall have failed to pay any additional tax within ten (10) days after receipt of written notice from Lender, the entire balance of the principal sum secured by the Mortgage and all interest accrued thereon shall without notice become due and payable forthwith at the option of the Lender.

4.4 Insurance. The Borrower will procure for, deliver to, and maintain for the benefit of, the Lender during the life of this Mortgage, insurance policies, in such amounts as the Lender shall require, but in no event less than the greater of (a) the aggregate amount of the Note, or (b) the full replacement cost of the Mortgaged Property (exclusive of the value of the land and costs of excavation, foundations and footings below the lowest basement floor), and with no more than \$5,000 deductible from the loss payable for any casualty, insuring the Mortgaged Property against fire, extended coverage, flood, liability, vandalism and malicious mischief, tornado, collapse, loss of rents or rental value (with coverage in an amount to cover a minimum of six months of fair rental value or projected gross annual rentals at 100% occupancy of the Mortgaged Property), business interruption, and such other insurable hazards, casualties and contingencies as the Lender may reasonably require. If the property is located in a flood hazard area, flood insurance in an amount acceptable to Lender shall also be provided by Borrower. The policies shall include without being limited to a "Replacement Cost Endorsement," a "Difference in Conditions" endorsement, boiler and machinery insurance covering pressure vessels, sewage treatment facilities, air tanks, boilers, machinery, pressure piping, heating, air conditioning and elevator equipment, and insurance against loss of occupancy or use arising from any such breakdown. The form of such policies and

the companies issuing them shall be acceptable to the Lender. All policies shall contain a New York standard, non-contributory mortgagee endorsement making losses payable to the Lender. At least fifteen (15) days prior to the expiration date of all such policies, renewals thereof satisfactory to the Lender shall be delivered to the Lender. The Borrower shall deliver to the Lender receipts evidencing the payment of all such insurance policies and renewals. In the event of the foreclosure of this Mortgage or any other transfer of title to the Mortgaged Property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Borrower in and to all insurance policies then in force shall pass to the purchaser or grantee.

The Lender is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies on the Mortgaged Property, and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses, directly to the Lender, instead of to the Borrower and Lender jointly. After deducting from said insurance proceeds any expenses incurred by it in the collection or handling of said fund, the Lender may apply the net proceeds, at its option, either toward restoring the Improvements, or as a credit on any portion of the mortgage indebtedness secured hereby, whether then matured or to mature in the future, or at the option of the Lender, such sums either wholly or in part may be paid over to the Borrower to be used to repair such buildings or to build new buildings in their place or for any other purpose or object satisfactory to the Lender without affecting the lien of the Mortgage for the full amount secured hereby before such payment took place. Lender shall not be held responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure.

Upon any default by Borrower and if requested by Lender, the Borrower will pay to the Lender on the first day of each month, together with and in addition to the regular installment of principal and interest and monthly tax deposit until the note is fully paid, an amount equal to one-twelfth (1/12) of the yearly premiums for insurance. Such amount shall be used by Lender to pay such insurance premiums when due. Such added payments shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of the Lender, and no interest shall be payable in respect thereof. Upon demand of Lender, the Borrower agrees to deliver to the Lender such additional monies as are necessary to make up any deficiencies in the amounts necessary to enable the Lender to pay such insurance premiums. In the event of a default by the Borrower in the performance of any of the terms, covenants and conditions in the Note or Mortgage, the Lender may apply to the reduction of the sums secured hereby, in such manner as the Lender shall determine, any amount paid in accordance herewith remaining to the Borrower's credit.

4.5 Condemnation. If all or any part of the Mortgaged Property in excess of fifteen percent (15%) of the real property or ten percent (10%) of the total square feet of buildings constructed on the real property, shall be damaged or taken through condemnation (which term when used in this Mortgage shall include any damage or taking by any governmental authority, and any transfer by private sale in lieu thereof), either temporarily or permanently, the entire indebtedness secured hereby shall at the option of the Lender become immediately due and payable. The Lender shall be entitled to all compensation, awards and other payments or relief thereof and is hereby authorized, at its option, to commence, appear in and

prosecute, in its own or the name of Borrower and/or Fee Owner, any action or proceedings relating to any condemnation. All such compensation, awards, damages, claims, rights of action and proceeds and the right thereto are hereby assigned by the Borrower to the Lender, who, after deducting therefrom all its expenses, including attorney's fees, may release any moneys so received by it without affecting the lien of this Mortgage or may apply the same in such manner as the Lender shall determine to the reduction of the sums secured hereby, and any balance of such moneys then remaining shall be paid to the Borrower. The Borrower and Fee Owner agree to execute such further assignments of any compensations, awards, damages, claims, rights of action and proceeds as the Lender may require.

4.6 Care of the Property.

(a) The Borrower will preserve and maintain the Mortgaged Property in good condition and repair, and will not commit or suffer any waste and will not do or suffer to be done anything which will increase the risk of fire or other hazard to the Mortgaged Property or any part thereof.

(b) Except as otherwise provided herein, no buildings, fixtures, personal property, or other part of the Mortgaged Property shall be removed, demolished or substantially altered without the prior written consent of the Lender, which consent shall not be unreasonably withheld or delayed. The Borrower may sell or otherwise dispose of, free from the lien of this Mortgage, furniture, furnishings, equipment, tools, appliances, machinery, fixtures or appurtenances subject to the lien hereof, which may become worn out, undesirable, obsolete, disused or unnecessary for use in the operation of the Mortgaged Property, not exceeding in value at the time of disposition thereof Five Thousand Dollars (\$5,000.00) for any single transaction, or a total of Fifteen Thousand Dollars (\$15,000.00) in any one year, upon replacing the same by, or substituting for the same, other furniture, furnishings, equipment, tools, appliances, machinery, fixtures, or appurtenances not necessarily of the same character, but of at least equal value to the Borrower and costing not less than the amount realized from the property sold or otherwise disposed of, which shall forthwith become, without further action, subject to the lien of this Mortgage.

(c) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, the Borrower will give immediate written notice of the same to the Lender.

(d) The Lender is hereby authorized to enter upon and inspect the Mortgaged Property at any time during normal business hours, subject to qualifications and restrictions on such rights set forth under existing leases.

(e) The Borrower will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Mortgaged Property or any part thereof.

(f) If all or any part of the Mortgaged Property shall be damaged by fire or other casualty (a "Casualty"), the Borrower will promptly restore the Mortgaged Property to the equivalent of its original condition, regardless of whether Insurance proceeds exist, are made available, or are sufficient. If a part of the

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Mortgaged Property shall be physically damaged through condemnation (a "Taking"), the Borrower will promptly restore, repair or alter the remaining property in a manner reasonably satisfactory to the Lender. Provided, however, upon a Casualty or Taking, and application by Lender of the insurance proceeds or the Taking proceeds to the reduction of the indebtedness secured hereby, Borrower shall be obligated only to remove any debris from the Mortgaged Property and take such actions as are necessary to make the undamaged or non-taken portion of the Mortgaged Property into a functional economic unit, insofar as is practicable under the circumstances. In the event the Lender requires restoration of the Mortgaged Property as a result of any Taking or Casualty, the Lender shall pay the insurance proceeds or casualty award to Borrower and shall not have the right to require application of the insurance proceeds or condemnation awards to the indebtedness secured hereby (except to the extent of any surplus over the amount required for restoration).

4.7 Performance by Lender of Defaults by Borrower. If the Borrower shall default in the payment of any tax, lien, assessment or charge levied or assessed against the Mortgaged Property; in the payment of any utility charge, whether public or private; in the payment of insurance premiums; in the procurement of insurance coverage and the delivery of the insurance policies required hereunder; or in the performance or observance of any other covenant, condition or term of this Mortgage or under any prior lien or junior lien or in any lease, then the Lender, at its option, may perform or observe the same, and all payments made for costs paid or incurred by the Lender in connection therewith, shall be secured hereby and shall be, without demand, immediately repaid by the Borrower to the Lender with interest thereon at the After-Maturity Rate set forth in the note. The Lender shall be the sole judge of the legality, validity and priority of any such tax, lien, assessment, charge, claim and premium; of the necessity for any such actions and of the amount necessary to be paid in satisfaction thereof, except, however, that (a) Lender's judgment as aforesaid shall be based upon an opinion to Lender of counsel for Lender licensed to practice law in the State of Alabama, as to the aforesaid issue of legality, validity, and priority; and (b) in any event, Borrower shall have the right to contest any such tax, lien, assessment or charge, after written notice of the same to Lender. During such contest, Borrower shall not be deemed in default hereunder if (i) prior to the delinquency of the lien, Borrower deposits with Lender cash or other security, in form satisfactory to lender in its sole unfettered discretion, adequate to cover the payment of such lien and any obligation, whether matured or contingent, of Borrower or Lender therefor, together with interest, costs and penalties thereon, and (ii) Borrower promptly causes to be paid any amounts adjudged to be due, together with all costs, penalties and interest thereon, before such judgment becomes final. Each such contest shall be concluded and the lien, interest, cost and penalties thereon shall be paid prior to the dates such judgment becomes final or any writ or order is issued under which the Property could be sold pursuant to such judgment. The Lender is hereby empowered to enter and to authorize others to enter upon the premises or any part thereof (subject to any qualifications or restrictions on such rights set forth under existing leases) for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to the Borrower or any person in possession holding under the Borrower.

4.8 Estoppel Affidavits. The Borrower within ten (10) days after written request from the Lender shall furnish a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the Note and whether or not any offsets or defenses exist against such principal and interest, specifying the nature of the same.

4.9 Receiver.

(a) If an Event of Default shall have occurred and be continuing, the Lender, upon application to a court of competent jurisdiction, shall be entitled, without notice and without regard to the adequacy of any security for the indebtedness hereby secured or the solvency of any party bound for its payment, to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect the rents, profits, issues, and revenues thereof.

(b) The Borrower will pay to the Lender upon demand all expenses, including receiver's fees, attorney's fees, costs and agent's compensation, incurred pursuant to the provisions contained in this paragraph and all such expenses shall be secured by this Mortgage.

4.10 Lender's Option on Foreclosure. At the option of the Lender, this Mortgage may be foreclosed as provided by law or in equity, in which event a reasonable attorney's fee shall, among other costs and expenses, be allowed and paid out of the proceeds of the sale. In the event Lender exercises its option to foreclose the Mortgage in equity, Lender may, at its option, foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property, and the failure to make any such tenants parties defendants to any such foreclosure proceeding and to foreclose their rights will not be, nor be asserted to be by the Borrower, a defense to any proceedings instituted by the Lender to collect the sums secured hereby, or any deficiency remaining unpaid after the foreclosure sale of the Mortgaged Property.

4.11 Waivers. Borrower waives all rights of exemption pertaining to real or personal property as to any indebtedness secured by or that may be secured by this Mortgage, and Borrower waives the benefit of any statute regulating the obtaining of a deficiency judgment or requiring that the value of the premises be set off against any part of the indebtedness secured hereby. Borrower further waives, to the extent permitted by any law (now or at any future time enacted) in the state where the property is located, any rights of redemption, appraisement, valuation, stay, or extension.

4.12 Delay or Omission No Waiver. No delay or omission of the Lender or of any holder of the Note to exercise any right, power or remedy accruing upon any default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such default, or acquiescence therein; and every right, power and remedy given by this Mortgage to the Lender may be exercised from time to time and as often as may be deemed expedient by the Lender.

4.13 No waiver of One Default to Affect Another, etc. No waiver of any default hereunder shall extend to or shall affect any subsequent or any other then existing default or shall impair any rights, powers or remedies consequent thereon.

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If the Lender (a) grants forbearance or an extension of time for the payment of any sums secured hereby; (b) takes other or additional security for the payment thereof; (c) waives or does not exercise any right granted herein or in the Note; (d) releases any part of the Mortgaged Property from the lien of this Mortgage or otherwise changes any of the terms of the Note or this Mortgage; (e) consents to the filing of any map, plat or replat thereof; (f) consents to the granting of any easement thereon; (g) makes or consents to any agreement subordinating the lien or change hereof; or (h) enters into any agreement with the Borrower or any partner or stockholder thereof or any one or more of them changing any term of the Note or documents relating to the Loan or releasing any partner or stockholder of Borrower or any security or respecting any matter whatsoever, any such act or omission shall not release, discharge, modify, change, or affect the original liability under the Note, this Mortgage or otherwise of the Borrower or any subsequent purchaser of the Mortgaged Property or any part thereof, or any maker, co-signer, endorser, surety or guarantor; nor shall any such act or omission preclude the Lender from exercising any right, power or privilege herein granted or intended to be granted in the event of any other default then made or of any subsequent default, nor, except as otherwise expressly provided in an instrument or instruments executed by the Lender shall the lien of this Mortgage be altered thereby. In the event of the sale or transfer by operation of law or otherwise of all or any part of the Mortgaged Property, the Lender, without notice to any person or corporation is hereby authorized and empowered to deal with any such vendee or transferee with reference to the Mortgaged Property or the indebtedness secured hereby, or with reference to any of the terms or conditions hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any of the liabilities or undertakings hereunder except to the extent expressly agreed to in writing by Lender.

4.14 Discontinuance of Proceedings - Position of Parties Restored. In case the Lender shall have proceeded to enforce any right or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Lender, then and in every such case the Borrower and the Lender shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of the Lender shall continue as if no such proceeding has been taken.

4.15 Remedies Cumulative. No right, power, or remedy conferred upon or reserved to the Lender by this Mortgage is intended to be exclusive of any right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

4.16 Notices. All notices given under this Mortgage must be in writing and will be effectively served upon personal delivery or sent by certified United States mail, postage prepaid, sent to the Lender at Lender's address at AmSouth Bank N.A., Post Office Box 11007, Birmingham, Alabama 35288, and sent to the Borrower and Fee Owner at the address appearing below their signatures, which addresses may be changed by written notice. However, the service of any notice of default or notice of sale under this Mortgage as required by law will, if mailed, be effective on the date of mailing.

4.17 Entries.

(a) The Lender and its respective agents and representatives, will have the right at any reasonable time to enter the Property and inspect all parts thereof, subject to qualifications and restrictions to such rights set forth in existing leases. The Lender will also have the right to examine, copy and audit the books, records, accounting data and other documents of the Borrower relating to the Mortgaged Property.

(b) The Lender is under no duty to supervise or inspect the Mortgaged Property, or operation of the Mortgaged Property, or examine any books and records. Any inspection or examination by the Lender is for the sole purpose of protecting the Lender's security and preserving the Lender's rights under this Agreement. No default of the Borrower will be waived by any inspection by the Lender.

4.18 Status and Authority. If Borrower is executing this instrument as a partnership or as a corporation:

(a) The Borrower warrants that (i) it is duly organized and validly existing, in good standing under the laws of the state of its formation, (ii) it is duly qualified to do business and is in good standing in the state of Alabama, (iii) it has the power, authority and legal right to carry on the business now being conducted by it and to engage in the transactions contemplated by the Loan Documents and (iv) the execution and delivery of the Loan Documents and the performance and observance of the provisions thereof have been duly authorized by all necessary actions of the Borrower.

(b) The Borrower agrees that so long as any of its obligations hereunder, or under the Loan Documents remain unsatisfied, it will not make any changes in its structure or in the beneficial ownership of Borrower or dissolve or liquidate (in whole or in part) its existence, that it will maintain its existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge any other partnership, corporation, or other entity, without the prior express written consent of the Lender or as allowed by Paragraph 1.4 of Article I above.

4.19 Miscellaneous/Actions By Lender. The term "Borrower" includes both the original Borrower and any subsequent owner or owners of any of the Mortgaged Property, and the term "Lender" includes the original Lender, and also any future owner or holder, including pledgees, assignees and participants, of the Note or any interest therein. Whenever the context requires, the singular includes the plural and vice versa and each gender includes each other gender. The headings of the articles of this Mortgage are for convenience only and do not limit its provisions.

4.20 Successors. The terms of this Mortgage will bind and benefit the heirs, legal representatives, successors and assigns of the Borrower and the Lender. If the Borrower consists of more than one person or entity, each will be jointly and severally liable to perform the obligations of the Borrower.

4.21 Homestead/Commercial Property. Borrower warrants to Lender that no part of the Mortgaged Property constitutes the homestead of Borrower or of any other person, that the Mortgaged Property in all respects constitutes commercial property acquired and held for commercial investment purposes by Borrower, and that Borrower does not reside upon the Mortgaged Property or any part thereof.

ARTICLE V

FEE SUBORDINATION PROVISIONS

5.1 Accommodation Encumbrance Provisions.

(a) It is affirmed and acknowledged that this Mortgage has been executed, acknowledged and delivered by Fee Owner in compliance with the Lease described in Exhibit C attached hereto and it is hereby agreed between Fee Owner and Lender (i) that Fee Owner has executed this Mortgage solely for the purpose of encumbering the fee simple estate in the Mortgaged Property herein described as security for the obligations and covenants herein set forth, and (ii) that no personal liability shall attach to or be enforced against Fee Owner under the Note by reason of its execution hereof.

(b) Fee Owner acknowledges that Lender at its sole discretion, with or without notice to Fee Owner and without affecting this encumbrance, from time to time may: (i) change the time of payment of the Note and/or other note executed to secure Project Related Costs (as such term is defined in Paragraph (5) of page 3 hereof) (the "Notes") by renewal, extension, acceleration, or otherwise, (ii) alter, change or modify any other provision of the Notes including without limitation the rate of interest thereon, the total indebtedness secured thereby and the principal payments required thereunder, so long as the additional indebtedness are Project Related Costs, (iii) make any future advances under said Notes, (iv) release, substitute or add one or more endorsers, co-signers, or guarantors for the Notes, (v) obtain any other collateral for the payment of the Notes and/or any guaranty of the Notes, (vi) release existing or after acquired collateral on such terms as Lender in its sole discretion shall determine, (vii) apply any sums received from Borrower, any guarantor, endorser or co-signer or from collateral or its proceeds to any indebtedness secured hereby, (viii) apply any sums received from the sale of any Property to any of the Notes in any order regardless of whether the Notes are secured by collateral or property or is due and payable, and (ix) exercise any right or remedy it may have with respect to the Notes or any collateral securing the Notes including, without limitation, judicial foreclosure, exercise of the power of sale or taking a deed or assignment in lieu of foreclosure as to any collateral.

(c) Fee Owner waives any and all rights with respect to remedies exercisable by Lender on default (except for the notice and cure rights afforded herein), including, without limitation, any right to require Lender to (i) proceed against Borrower or any other person, (ii) proceed against collateral granted by Borrower or others before proceeding against collateral granted by Fee Owner, (iii) first apply the property of Borrower to the discharge of the Notes before applying any property of Fee Owner thereto, (iv) pursue any other remedy in Lender's power whatsoever, or (v) disclose any information with respect to the financial condition or

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character of Borrower, any collateral, guarantees, or any action or non-action on the part of Lender, Borrower or any person connected with the Notes or collateral therefore, prior to or after default.

(d) Fee Owner waives any defense arising by reason of any disability or other defense of Borrower, its successor or endorser or co-maker or guarantor or by reason of the cessation from any cause whatsoever of the liability of Borrower or endorser or co-maker, or any guarantor. Until the Notes have been paid in full, even though it may be in excess of the value of the Property, Fee Owner shall not have any right of subrogation, and Fee Owner waives any benefit of and any right to participate in any such collateral. Fee Owner waives physical presentation of the Notes to it or Borrower upon any default, and further waives any protest upon any default, notice of protest upon any default of/or notice of acceptance of this accommodation.

(e) Notwithstanding that Fee Owner and Borrower may have entered into a separate agreement relating to their rights and duties with respect to each other including, without limitation, the Lease, no right, remedy or provision thereof shall be binding upon or affect or delay Lender's rights hereunder.

(f) Fee Owner understands and agrees:

(1) That this Mortgage presently securing the Note (and any future renewals, advances, substitutions, extensions or modifications thereof) shall unconditionally be and remain at all times a lien and charge on the Property, prior and superior to the fee simple title of Fee Owner and of any interest it may have under the Lease.

(2) That Lender would not make its loan above described without this agreement.

(3) That this agreement shall be the whole and only agreement with regard to the matters herein set forth; and this agreement shall supersede and cancel, any prior agreement(s) with regard to the matters herein set forth, including, without limitation, those provisions, if any, contained in the Lease.

5.2 Representation, Warranties and Covenants Concerning the Leasehold Estate. With respect to the leasehold estate created by the Lease, as amended, described on Exhibit C attached hereto (the "Lease"):

(a) Borrower and Fee Owner represent and warrant to Lender jointly (except for the representations and warranties contained in (iii) and (vii) which are made severally, and not jointly, Fee Owner making no representation or warranty with respect to Borrower, and Borrower making no representation or warranty with respect to Fee Owner, concerning the matters described in (iii) or (vii) below):

(i) that as of the date of the execution and delivery of this Mortgage no default or event of default exists under the Lease, and no event has occurred that, but for the

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giving of notice or the passage of time, or both, would constitute a default or event of default under the Lease;

- (ii) that the Lease is a valid and subsisting lease for the term therein set forth, and Borrower has a valid and subsisting leasehold estate as the tenant under the Lease subject only to the terms of the Lease, and subject to no lien or encumbrance, except for the Permitted Exceptions;
 - (iii) that Borrower and Fee Owner, together, have full and lawful power and authority to mortgage the leasehold estate and fee simple absolute estate to the Mortgaged Property as provided herein;
 - (iv) Exhibit C to this Mortgage contains a complete and accurate list of all amendments and assignments of the Lease and interests thereunder;
 - (v) that Borrower and Fee Owner will not permit, consent to, or enter into any amendment, modification, termination or other change whatsoever in or to the Lease or the provisions thereof;
 - (vi) that Lender shall have and possess, together with the right to exercise, all of the rights, powers and privileges provided in the Lease for the holder of an encumbrance or lien upon the interest created thereunder and the estates of Borrower and Fee Owner in the Mortgaged Property, and such rights, powers and privileges are incorporated herein by this reference and made a part hereof as though herein set forth in full. Nothing contained in this Mortgage, or in any other instrument executed by Borrower, and/or Fee Owner, as security for the Note or other note, shall be construed as requiring Lender to pay any sum to be paid, or to perform any obligation to be performed, by Borrower or Fee Owner pursuant to the Lease, or to do any other act whatsoever; and neither the acceptance of this Mortgage nor the exercise at any time, or times, of any right, power or privilege, or performance of any act hereunder or pursuant to or as provided in the Lease by Lender, shall be construed as an assumption or undertaking by Lender of any of the duties or obligations of Borrower and/or Fee Owner provided in the Lease.
- (b) Borrower covenants to Lender as follows:
- (i) to perform and observe each of the terms, covenants and conditions required to be performed or observed by

the tenant under the Lease and to do all things necessary to preserve and keep unimpaired the tenant's rights thereunder;

- (ii) that it will take no action or give any notice that would have the effect of terminating or permitting the termination of the Lease, and that it will notify Lender promptly in writing after learning of any condition that with or without the passage of time or the giving of notice might result in a default or event of default under, or the termination of, the Lease;
- (iii) that it will preserve its title to and interest in the Lease and does hereby and will forever warrant and defend the same to Lender against the claims of all persons and parties whomsoever;

(c) Borrower hereby further irrevocably grants, bargains, sells, aliens, remises, releases, confirms and conveys to Lender, and to its successors and assigns, subject to the lien of this Mortgage, the leasehold estate created by the Lease; all rights and benefits of whatsoever nature derived or to be derived by the Borrower under or by virtue of the Lease, including without limitation the right to exercise options, to give consents, and to receive monies payable to the Borrower thereunder, and all rents, income, issues and profits of the leasehold estate.

Whenever the term "Mortgaged Property" is used herein, the same term shall further include (in addition to the other properties and rights described hereinabove as comprising Mortgaged Property) the properties and rights described in this Paragraph 5.2(c).

5.3 Notice of Default to Fee Owner/Right to Cure. Notwithstanding any provision to the contrary set forth herein, prior to any action or proceeding by Lender to foreclose upon the Mortgaged Property, Lender shall send to Fee Owner a written notice, by personal delivery or by certified mail, return receipt requested, at Fee Owner's address appearing below Fee Owner's signature below (or at such other address as Fee Owner may designate by notice sent in the manner prescribed in this paragraph to Lender at Lender's address in Paragraph 4.16), specifying such default, which written notice shall provide Fee Owner with a period of thirty (30) days within which to cure such default. Fee Owner shall have, thereupon, the right (but not the obligation) to cure said default, within said thirty-day period.

ARTICLE VI

SPECIAL PROVISIONS

6.1 Agreement to Subordinate. Upon fulfillment of the following conditions, Lender agrees, upon written demand by Borrower, to execute a recordable document in which it subordinates its Loan Documents to the lien of an "Approved Senior Loan" (as defined below) with respect only to the "Existing Building" (as defined below):

- (a) No default may exist under the Loan Documents nor under the Leases ("Rust Leases") executed by Rust International Corporation ("Rust") covering either building constructed or to be constructed on the property;
- (b) An amount equal to the greater of (i) \$10,000,000 or (ii) the net proceeds of an Approved Senior Loan, in good funds must have been received by the Lender, together with such additional payments (of interest, principal, advances, or other costs) as will result in the principal balance of the Loan being not more than \$9,850,000, and payment of all interest and other amounts secured by the Loan Documents then due being paid in full;
- (c) If required by Lender, a reciprocal easement agreement reasonably acceptable to the Lender shall have been recorded under which access easements shall be reserved with respect to easements which benefit the two parcels comprising the property;

For purposes of this paragraph the following terms shall have the following meanings:

- (i) "Approved Senior Loan" shall refer to a note in principal amount not less than \$10,000,000, bearing interest not to exceed 9.5% per annum, held by a lender approved by Lender (which approval shall not be unreasonably withheld or delayed), secured by such mortgage and other loan documents as are, together with the note, approved in all respects by the Lender.
- (ii) "Existing Building" shall refer to "Building Site I" as described on Exhibit A and the office building and other improvements thereon.

6.2 No Piecemeal Foreclosure. For purposes of this paragraph, the term "Owner" shall refer to Borrower and Fee Owner, severally and collectively. Owner acknowledges that a primary inducement to Lender in making the Loan secured hereby is the ability, in event of foreclosure, to offer for sale at foreclosure and to sell and foreclose on all parcels secured by this Mortgage, whether such parcels are described in Exhibit A attached hereto or are added by modifications of this Mortgage hereafter, as described above, en masse rather than parcel by parcel. To induce Lender to make the Loan, the Owner specifically waives any right to compel the Lender to offer the Mortgaged Property first by parcel rather than en masse, in the event of foreclosure, and consents to the offering by Lender of the Mortgaged Property en masse, at the option of Lender, rather than by parcel. Owner further forever releases, quitclaims, acquits, and discharges, Lender from any liability or claims of any nature resulting from the offering by Lender of the Mortgaged Property en masse at any foreclosure sale, and the purchase at any such foreclosure sale by any party of the Mortgaged Property en masse rather than by separate parcel(s); and if the Mortgaged Property is purchased at any foreclosure sale en masse, Owner further waives any right to redeem the Mortgaged Property or any part thereof on a parcel by parcel basis rather than en masse. The foregoing waivers and releases shall be binding on Owner and the successors, representatives, lienors, creditors, and assigns of Owner.

Owner represents to Lender that Owner has negotiated at arms length with Lender, with equal bargaining power and have been advised by experienced legal counsel of their choosing. Owner further represents that alternative forms of structuring the subject transaction, as well as alternative sources of financing, were available to Owner and Owner chose to proceed in the manner described hereinabove and to borrow the Loan proceeds from Lender.

6.3 Limitation of Liability. The liability of Borrower hereunder is limited in the manner and to the extent set forth in the Note.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals on this 12TH day of JANUARY, 1989.

"BORROWER:"

DANIEL MEADOW BROOK ONE, LTD., a Virginia limited partnership

ATTEST:

By: DANIEL REALTY INVESTMENT CORPORATION - MEADOW BROOK ONE, a Virginia Corporation, its General Partner

By: [Signature]
Name: Stephen R. Monk
Its: Secretary

By: [Signature] (SEAL)
Name: JAMES W. KLUGER
Its: VICE PRESIDENT

FEE OWNER:

DANIEL U.S. PROPERTIES, LTD., a Virginia limited partnership

ATTEST:

By: DANIEL REALTY INVESTMENT CORPORATION, a Virginia corporation, as General Partner

By: [Signature]
Name: Stephen R. Monk
Its: Secretary

By: [Signature] (SEAL)
Name: JAMES W. KLUGER
Its: VICE PRESIDENT

Address: 10 Inverness Parkway
Birmingham, Alabama 35243

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STATE OF ALABAMA)
 :
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in said County in said State, hereby certify that James W. Klueber, whose name as Vice President of DANIEL REALTY INVESTMENT CORPORATION - MEADOW BROOK ONE, a Virginia corporation, General Partner of DANIEL MEADOW BROOK ONE, LTD., a Virginia limited partnership, 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 officer, and with full authority, executed the same voluntarily for and as the act of said corporation, as General Partner of said limited partnership.

GIVEN under my hand and official seal of office, this 12th day of January, 1987.

Judith H. Vici
Notary Public

My Commission expires: 1-17-88

STATE OF ALABAMA)
 :
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that James W. Klueber, whose name as Vice President of Daniel Realty Investment Corporation, a Virginia corporation, as General Partner of Daniel U.S. Properties, Ltd., a Virginia limited partnership, 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 within instrument, he, as such officer and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said corporation as General Partner of said limited partnership.

GIVEN under my hand and official seal of office, this 12th day of January, 1987.

Judith H. Vici
Notary Public

My Commission expires: 1-17-88

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EXHIBIT A

MEADOW BROOK I: Building Site I:

A parcel of land situated in the Southwest 1/4 of the Southeast 1/4 and in the Southeast Quarter of the Southwest Quarter of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Commence at the Southwest corner of the Southeast Quarter of the Southeast Quarter of Section 31, Township 18 South, Range 1 West; thence North 00 deg. 03' 24" East, 1113.82 feet to a point on the Southernmost right-of-way margin of U.S. Highway 280; thence South 83 deg. 16' 43" West and along said right-of-way margin of U.S. Highway 280, 1634.55 feet to the point of beginning; thence South 07 deg. 01' 19" East and leaving said right-of-way margin of U.S. Highway 280, 92.48 feet to a point; thence North 82 deg. 58' 41" East, 219.00 feet to a point, said point being on a curve to the left, said curve having a central angle of 69 deg. 00' 00", a radius of 104.23 feet, an arc of 125.52 feet and a chord which bears South 06 deg. 31' 09" East for 118.07 feet; thence continue along the arc of said curve for 125.52 feet to a point, said point being on the beginning of a curve to the right, said curve having a central angle of 31 deg. 56' 11", a radius of 166.73 feet, an arc of 92.94 feet, and a chord which bears South 25 deg. 03' 04" East for 91.74 feet; thence continue along the arc of said curve of 92.94 feet to a point at the end of said curve; thence South 09 deg. 04' 58" East, 6.32 feet to a point at the beginning of a curve to the left, said curve having a central angle of 45 deg. 00' 00", a radius of 79.00 feet, an arc of 62.00 feet and a chord which bears South 31 deg. 34' 58" East for 60.46 feet; thence continue along the arc of said curve for 62.00 feet to a point; thence South 17 deg. 14' 02" West, 271.26 feet to a point; thence North 67 deg. 13' 17" West, 155.00 feet to a point; thence South 48 deg. 46' 43" West, 338.00 feet to a point; thence North 30 deg. 51' 35" West, 410.59 feet to a point; thence North 12 deg. 39' 41" West, 347.87 feet to a point on the Southernmost right-of-way margin of U.S. Highway 280; thence North 83 deg. 16' 43" East, and continuing along said right-of-way margin of U.S. Highway 280, 453.91 feet to the point of beginning.

According to boundary survey of Ray Stafford, Jr., Ala. Reg. No. 15451, for Sain-South Engineering, dated October 1, 1986.

MEADOW BROOK II: BUILDING SITE II:

A parcel of land situated in the Southwest Quarter of the Southwest Quarter and the Southeast Quarter of the Southwest Quarter of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Commence at the Southwest corner of the Southeast Quarter of the Southeast Quarter of Section 31, Township 18 South, Range 1 West; thence North 00 deg. 03' 24" East, 1113.82 feet to a point on the Southernmost right-of-way margin

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of U.S. Highway 280; thence South 83 deg. 16' 43" West and along said right-of-way margin of U.S. Highway 280, 2088.46 feet to the point of beginning; thence South 12 deg. 39' 41" East and leaving said right-of-way margin of U.S. Highway 280, 347.87 feet to a point; thence South 30 deg. 51' 35" East 410.59 feet to a point; thence South 31 deg. 47' 38" West, 237.30 feet to a point on the Northernmost right-of-way margin of Corporate Parkway; thence North 52 deg. 01' 03" West and along said right-of-way margin of Corporate Parkway, 125.00 feet to a point, said point being at the beginning of a curve to the left, said curve having a central angle of 56 deg. 17' 00", a radius of 460.00 feet, an arc of 451.87 feet and a chord which bears North 80 deg. 09' 33" West for 433.92 feet; thence continue along the arc of said curve and along said right-of-way margin of Corporate Parkway, 451.87 feet to a point at the end of said curve; thence South 71 deg. 41' 57" West and along said right-of-way margin of Corporate Parkway, 184.01 feet to a point; thence North 17 deg. 04' 55" West and leaving said right-of-way margin of Corporate Parkway, 94.02 feet to a point; thence North 05 deg. 57' 42" West, 196.54 feet to a point; thence North 66 deg. 34' 17" West, 50.64 feet to a point on the Easternmost right-of-way of Meadow Brook Road, said point being on a curve to the left, said curve having a central angle of 16 deg. 01' 43", a radius of 724.16 feet, an arc of 202.59 feet and a chord which bears North 15 deg. 43' 05" East for 201.93 feet; thence continue along the arc of said curve and along said right-of-way margin of Meadow Brook Road, 202.59 feet to a point; thence South 80 deg. 01' 23" East and leaving said right-of-way margin of Meadow Brook Road, 44.11 feet to a point; thence North 66 deg. 03' 45" East, 80.92 feet to a point; thence North 15 deg. 39' 02" East, 53.70 feet to a point; thence South 73 deg. 43' 09" East, 172.38 feet to a point; thence North 25 deg. 03' 04" East, 102.26 feet to a point; thence North 43 deg. 02' 43" East, 118.96 feet to a point; thence North 02 deg. 52' 28" West, 75.29 feet to a point on the Southernmost right-of-way of U.S. Highway 280; thence North 86 deg. 20' 37" East and along said right-of-way margin of U.S. Highway 280, 35.00 feet to a point; thence North 83 deg. 16' 43" East and along said right-of-way margin of U.S. Highway 280, 126.59 feet to the point of beginning.

According to boundary survey of Ray Stafford, Jr., Al. Reg. #15451, for Sain-South Engineering, dated 1st October, 1986.

TOGETHER WITH THE FOLLOWING EASEMENTS:

EASEMENT AREA NO. 1:

An Easement for ingress and egress over a parcel of land, being a part of the SE 1/4 of SW 1/4 and SW 1/4 of SE 1/4 of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, more particularly described as follows: Commence at the point of intersection of the Easterly right-of-way line of Meadow Brook Road and the Southerly right-of-way line of U.S. Highway #280 and run Easterly along the Southerly right-of-way line of U.S. Highway #280 a distance of 443.48 feet to a point; thence 3 degrees 03 minutes 54 seconds

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to the left in a Northeasterly direction along the Southerly right-of-way line of U.S. Highway #280 a distance of 580.50 feet to a point; thence 89 degrees 41 minutes 58 seconds to the right in a Southerly direction a distance of 92.48 feet to a point; thence 90 degrees 00 minutes to the left in an Easterly direction a distance of 219.00 feet to a point on the boundary of Lake #1, said point being on a curve to the left having a radius of 104.23 feet and a central angle of 69 degrees 00 minutes; thence 125 degrees 00 minutes to the right (angle measured to tangent) and along the arc of said curve and along the boundary of Lake #1 a distance of 125.52 feet to the P.R.C. (point of reverse curve) of a curve to the right having a radius of 166.73 feet and a central angle of 31 degrees 56 minutes 11 seconds; thence along the arc of said curve and along the boundary of Lake #1 a distance of 92.94 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Southerly direction along the boundary of Lake #1 a distance of 6.32 feet to the P.C. (point of curve) of a curve to the left having a radius of 79.00 feet and a central angle of 45 degrees 00 minutes; thence along the arc of said curve and along the boundary of Lake #1 a distance of 62.00 feet to a point; thence 71 degrees 19 minutes to the right (angle measured to tangent) in a Southwesterly direction a distance of 210.98 feet to the point of beginning; thence 84 degrees 27 minutes 19 seconds to the left in a Southeasterly direction a distance of 71.53 feet to a point on the Northwesterly line of Corporate Parkway, said point being on a curve to the left having a radius of 385.00 feet and a central angle of 9 degrees 02 minutes; thence 86 degrees 11 minutes 28 seconds to the right (angle measured to tangent) in a Southwesterly direction along the Northwesterly line of Corporate Parkway and along the arc of said curve a distance of 60.70 feet to a point; thence 102 degrees 50 minutes 33 seconds to the right (angle measured to tangent) in a Northwesterly direction a distance of 74.49 feet to a point; thence 84 degrees 27 minutes 19 seconds to the right in a Northeasterly direction a distance of 60.28 feet to the point of beginning. According to the survey of Walter Schoel, Jr., Ala. Reg. No. 3092, dated 23, January 1986.

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EASEMENT AREA NO. 2:

An Easement for ingress and egress over and across parcel of land situated in the South 1/4 of Section 31, Township 18 South, Range 1 West and the North 1/4 of Section 6, Township 19 South, Range 1 West, Shelby County, Alabama, being more particularly described as follows:

Commence at the Southeast corner of the Southwest 1/4 of the Southeast 1/4 of Section 31, Township 18 South, Range 1 West, Shelby County, Alabama, and run North along the East line of said 1/4-1/4 Section a distance of 1113.82 feet to a point on the Southerly right of way line of U. S. Highway #280;

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thence in a Southwesterly direction along the Southerly right of way line of U. S. Highway #280 a distance of 877.11 feet to a point lying 30.00 feet Easterly of the centerline of the left lane of Corporate Parkway, said point being the point of beginning; thence 89 deg. 55 min. 41 sec. to the left in a Southerly direction along a line lying 30.00 feet Easterly of and parallel to the centerline of the left lane of Corporate Parkway a distance of 18.04 feet to the P.C. (point of curve) of a curve to the right having a radius of 850.00 feet and a central angle of 8 deg. 43 min. 02 sec; thence along the arc of said curve in Southwesterly direction 30.00 feet Southeasterly of and parallel to the centerline of the left lane of Corporate Parkway a distance of 129.32 feet to the P.C.C. (point of compound curve) of a curve to the right having a radius of 505.00 feet and a central angle of 38 deg. 18 min. 40 sec; thence along the arc of said curve in a Southwesterly direction 30.00 feet Southeasterly of and parallel to the centerline of the left lane of Corporate Parkway a distance of 337.67 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Southwesterly direction along a line 30.00 feet Southeasterly of and parallel to the centerline of the left lane of Corporate Parkway a distance of 195.00 feet to the P.C. (point of curve) of a curve to the left having a radius of 230.00 feet and a central angle of 38 deg. 58 min. 20 sec.; thence along the arc of said curve in a Southwesterly direction 30.00 feet Southeasterly of and parallel to the centerline of the left lane of Corporate Parkway a distance of 156.44 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Southerly direction along a line 30.00 feet Easterly of and parallel to the centerline of the left lane of Corporate Parkway a distance of 230.53 feet to the P.C. (point of curve) of a curve to the right having a radius of 373.84 feet and a central angle of 116 deg. 43 min. 03 sec.; thence along the arc of said curve in a Southwesterly, Westerly and Northwesterly direction 30.00 feet Southeasterly, Southerly and Southwesterly of the centerline of Corporate Parkway a distance of 761.55 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Northwesterly direction 30.00 feet Southwesterly of and parallel to the centerline of the left lane of Corporate Parkway a distance of 455.00 feet to the P.C. (point of curve) of a curve to the left having a radius of 440.00 feet and a central angle of 52 deg. 32 min. 36 sec.; thence along the arc of said curve in a Westerly direction 30.00 feet Southerly of and parallel to the centerline of the left lane of Corporate Parkway a distance of 403.50 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Southwesterly direction 30.00 feet Southerly of the centerline of the left lane of Corporate Parkway a distance of 107.00 feet to the P.C. (point of curve) of a curve to the right having a radius of 339.95 feet and a central angle of 54 deg. 36 min. 23 sec.; thence along the arc of said curve in a Westerly direction 30.00 feet Southerly of and parallel to the centerline of the left lane of Corporate Parkway a distance of 323.99 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Northwesterly direction 30.00 feet Southwesterly of

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and parallel to the centerline of the left lane of Corporate Parkway a distance of 98.79 feet to a point on the Southeasterly right of way line of Meadow Brook Road, said point being on a curve to the right having a radius of 468.64 feet and a central angle of 13 deg. 40 min. 48 sec.; thence 84 deg. 53 min. 15 sec. to the right (angle measured to tangent) in a Northeasterly direction along the Southeasterly right of way line of Meadow Brook Road and along the arc of said curve to the right a distance of 111.89 feet to a point; thence 75 deg. 02 min. 27 sec. to the right (angle measured to tangent) in a Southeasterly direction 30.00 feet Northeasterly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 18.22 feet to the P.C. (point of curve) of a curve to the left having a radius of 307.67 feet and a central angle of 42 deg. 06 min. 45 sec.; thence along the arc of said curve in a Westerly direction 30.00 feet Northerly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 226.14 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in an Easterly direction 30.00 feet Northerly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 285.01 feet to the P.C. (point of curve) of a curve to the right having a radius of 460.00 feet and a central angle of 56 deg. 17 min.; thence along the arc of said curve in an Easterly direction 30.00 feet Northerly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 451.87 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Southeasterly direction 30.00 feet Northeasterly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 225.00 feet to the P.C. (point of curve) of a curve to the left having a radius of 1150.00 feet and a central angle of 10 deg. 50 min. 38 sec.; thence along the arc of said curve in a Southeasterly direction 30.00 feet Northeasterly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 217.65 feet to the P.C.C. (point of compound curve) of a curve to the left having a radius of 240.00 feet and a central angle of 125 deg. 00 min.; thence along the arc of said curve in a Southeasterly, Easterly, Northeasterly and Northerly direction 30.00 feet Northeasterly, Northerly, Northwesternly and Westerly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 523.60 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Northerly direction 30.00 feet Westerly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 150.00 feet to the P.C. (point of curve) of a curve to the right having a radius of 385.00 feet and a central angle of 57 deg. 33 min. 35 sec.; thence along the arc of said curve in a Northeasterly direction 30.00 feet Northwesternly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 386.77 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Northeasterly direction 30.00 feet Northwesternly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 155.00 feet to the P.C. (point of curve) of a curve to the left having a radius of 275.68 feet and a central angle of 53 deg. 07 min. 48 sec.; thence along the arc of said curve in a Northeasterly direction 30.00 feet Northwesternly of and

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parallel to the centerline of the right lane of Corporate Parkway a distance of 255.64 feet to the P.C.C. (point of compound curve) of a curve to the left having a radius of 2037.80 feet and a central angle of 3 deg. 13 min. 04 sec; thence along the arc of said curve in a Northerly direction 30.00 feet Westerly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 114.44 feet to the P.T. (point of tangent) of said curve; thence in the tangent to said curve in a Northerly direction 30.00 feet Westerly of and parallel to the centerline of the right lane of Corporate Parkway a distance of 17.89 feet to a point on the Southerly right of way line of U. S. Highway #280; thence 89 deg. 55 min. 41 sec. to the right in an Easterly direction along the Southerly right of way line of U. S. Highway #280 a distance of 118.00 feet to the point of beginning.

According to the survey of Walter Schoel Engineering Co., dated December, 1985.

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EXHIBIT B

PERMITTED ENCUMBRANCES

1. Taxes for 1987 and subsequent years. 1987 taxes are a lien but not due and payable until October 1, 1987.
2. Transmission Line Permit to Alabama Power Company as recorded in Deed Book 146, page 391, in the Probate Office of Shelby County, Alabama, (affects EASEMENT AREA NO. 2 ONLY), and Transmission Line Permits to Alabama Power Company as recorded in Deed Book 109, page 490 and Deed Book 112, page 134, in said Probate Office, (affects S 1/2 of SW 1/4 and SW 1/4 of SE 1/4, Section 31, Township 18 South, Range 1 West).
3. Easements to South Central Bell Telephone Company as recorded in Deed Book 299, page 703, in said Probate Office, (affects S 1/2 of SW 1/4 and SW 1/4 of SE 1/4, Section 31, Township 18 South, Range 1 West).
4. Title to minerals underlying S 1/2 of SW 1/4, Section 31, Township 18 South, Range 1 West, with mining rights and privileges belonging thereto, as reserved in Deed Book 28, page 581, in said Probate Office. This policy insures against loss or damage which the Insured may sustain through the use of the surface of the insured premises, not consented to by the owner, in the exercise of the mining rights contained in the instrument set forth above.
5. Title to minerals underlying NW 1/4 of NW 1/4, Section 6, Township 19 South, Range 1 West, with mining rights and privileges belonging thereto, as conveyed in Deed Book 66, page 34, in said Probate Office, (affecting EASEMENT AREA NO. 2 ONLY).
6. Covenants, conditions and restrictions for Meadow Brook Corporate Park South, as to be recorded in Real Volume 064, page 091, and First Amendment to declaration of covenants, conditions and restrictions for Meadow Brook Corporate South as recorded in Real Volume 095, Page 826, in Probate Office, and this binder insures that said restrictions have not been violated and future violation will not result in forfeiture or reversion of title.
7. Transmission line permits to Alabama Power Company as recorded in Real Volume 075, Page 634, and in Real Volume 075, Page 714, and disclaimer by Alabama Power Company to construct any additional lines across lands described in Volume 075, Page 714, as recorded in Real Volume 082, Page 221, in Probate Office. (affects Easement Area # 2 only)
8. Agreement between Daniel Meadow Brook One, Ltd., a Virginia limited partnership and Rust International Corporation, dated 15th April, 1986, and recorded in Real Volume 088, Page 783(as to Building Site 1); and memorandum of lease dated 22nd Oct. 1986, between Daniel Meadow Brook One, Ltd., a Virginia limited partnership, and Rust International, as recorded in Real Volume 097, Page 094, (as to Building Site 2) in Probate Office.

EXHIBIT C

The term "Lease" shall refer collectively to:

1. That certain Ground Lease between Daniel U.S. Properties, Ltd., and Daniel Meadow Brook One, Ltd., as recorded in Real Record 064, page 132, and as amended in Real Record 095, Page 839, in Probate Office of Shelby County, Alabama; and
2. That certain Ground Lease between Daniel U.S. Properties, Ltd., and Daniel Meadow Brook One, Ltd., as recorded in Real Record 095, page 848, in Probate Office in Shelby County, Alabama.

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

1987 JAN 12 PM 3:51

Thomas G. Swannick, Jr.
JUDGE OF PROBATE

1. Deed Tax	\$	29,778.00
2. Mtg. Tax		82.50
3. Recording Fee		1.00
4. Indexing Fee		
TOTAL		29,858.50