

41

LOAN DOCUMENT MODIFICATION AGREEMENT

THIS LOAN DOCUMENT MODIFICATION AGREEMENT is made and entered into as of the 10th day of July, 1992, by and between Western Pocahontas Properties Limited Partnership, a Delaware partnership, whose address is 40th Floor, 601 Jefferson Street, Houston, Texas 77002 (the "Debtor"), and The Travelers Insurance Company, a Connecticut corporation, whose address is One Tower Square - 2BP, Hartford, Connecticut 06183-2021 (the "Travelers");

WHEREAS, pursuant to that certain loan agreement dated as of December 3, 1987, between Debtor and Travelers (the "Original Loan Agreement"), Travelers made a loan (the "Loan") to Debtor upon the terms and conditions set forth in the Original Loan Agreement, all as is more particularly described therein; and

WHEREAS, the Loan was evidenced by a \$35,000,000.00 note ("Note 1") and a \$70,000,000.00 note ("Note 2"), and was secured by the Security Agreement, the Contract Assignment and the Mortgages (including deeds of trust and credit line deeds of trust), the Financing Statements, the Assignments of Leases and Rents, the Pledge Agreements, all as defined in the Original Loan Agreement and was further secured by an assignment of a security interest in certain certificate of deposit (the "CD Assignment") and a pledge and assignment of deposit account (the "Account Assignment") (the foregoing documents being among the "Loan Documents", as defined in the Original Loan Agreement); and

Inst # 1992-14084

David Tamer

WHEREAS, certain of the Loan Documents were filed and recorded in various public offices which are identified, together with the filing and recordation data therefor, in the recordation schedule attached hereto and made a part hereof as Exhibit A (the "Recordation Schedule"); and

WHEREAS, Travelers has made a further advance of loan proceeds to Debtor in the amount of \$11,381,542.41 (the "Re-Advance") which is to be secured by the same collateral documentation referred to above which secures the Loan, with such collateral documentation being defined in the Original Loan Agreement as the Loan Documents; and

WHEREAS, Note 1 has been modified to evidence the Re-Advance pursuant to an allonge (the "Allonge"), a copy of which, except for signature, is attached hereto and made a part hereof as Exhibit B; and

WHEREAS, the outstanding principal balance of Note 1 before the Re-Advance was \$8,888,457.59 and the outstanding principal balance of the Note 1, as modified, after the Re-Advance is \$20,270,000.00; and

WHEREAS, pursuant to that certain Loan Modification Agreement between the Debtor and Travelers dated approximately as of the date hereof (the "Loan Modification Agreement") the Debtor and Travelers have agreed to modify the Original Loan Agreement and all Loan Documents as is necessary to reflect the Re-Advance, the resulting modification to Note 1, and the agreement that the payment of Note 1, as modified, continues to be secured under and

by all of the Loan Documents; and

WHEREAS, Travelers was, is and remains the owner and holder of Note 1, (both before and after modification to evidence the Re-Advance) and Note 2.

NOW, THEREFORE, WITNESSETH: That for and in consideration of the premises which are not mere recitals, but are an integral part hereof, the execution and delivery of the Allonge, the execution and the delivery of the Loan Modification Agreement, the covenants of the agreement contained herein, and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1. Each of the Loan Documents is hereby modified, amended and supplemented, to the extent necessary, to show that each secures, in addition to the other obligations described therein, the indebtedness evidenced by Note 1 as modified by the Allonge to further evidence the Re-Advance and the indebtedness evidenced thereby after giving effect to the Re-Advance.

2. The notice address for The Travelers Insurance Company as set forth in the Loan Documents is hereby amended to read as follows:

The Travelers Insurance Company
1 Tower Square - 2BP
Hartford, Connecticut 06183-2021
Attention: Investment Administration

with copies to:

McGuire, Woods, Battle & Boothe
One James Center
Richmond, Virginia 23219

and

Attention: William F. Gieg, Esq.

The Travelers Companies
848 Mulberry Street, Suite 570
Macon, Georgia 21202-1915
Attention: Account Representative

3. The Loan Documents, as modified hereby, are hereby ratified and re-affirmed as of the date hereof.

4. A duplicate original of this Loan Document Modification Agreement shall be recorded in each jurisdiction in which a Mortgage, an Assignment of Leases and Rents, a financing statement filed in real estate records or a UCC-1 financing statement are recorded or filed as set forth in the attached Recordation Schedule. Upon filing or recordation, this Loan Document Modification Agreement is to be cross-indexed to the recorded or filed Loan Document referred to in the attached Recordation Schedule. If this Loan Document Modification Agreement is to be recorded in a jurisdiction in which the Mortgages take the form of a deed of trust or credit line deed of trust made in favor of trustees and the joinder of such trustees is necessary to effect the modifications purported to be made hereby, then attached hereto is a joinder executed by the trustees named in any such Mortgage whereby each such trustee joined in this Loan Document Modification Agreement for the sole purpose of acknowledging and agreeing to the modification and supplementation of the Mortgage made in favor of such trustee. Travelers certifies that it is the sole holder of Note 1, as originally stated and as modified by the Allonge, and Note 2 and authorizes and directs each such trustee to execute such joinder

to this Loan Document Modification Agreement.

5. This Loan Document Modification Agreement shall be governed by and construed in accordance with the laws of the state in which the same is recorded or filed.

6. Except as provided herein, in the Loan Modification Agreement or the Allonge, the Original Loan Agreement, Note 1, Note 2 and the Loan Documents remain in full force and effect, and the rights, duties and obligations of the parties thereto remain unchanged except as expressly set forth in this Loan Document Modification Agreement, the Loan Modification Agreement or the Allonge.

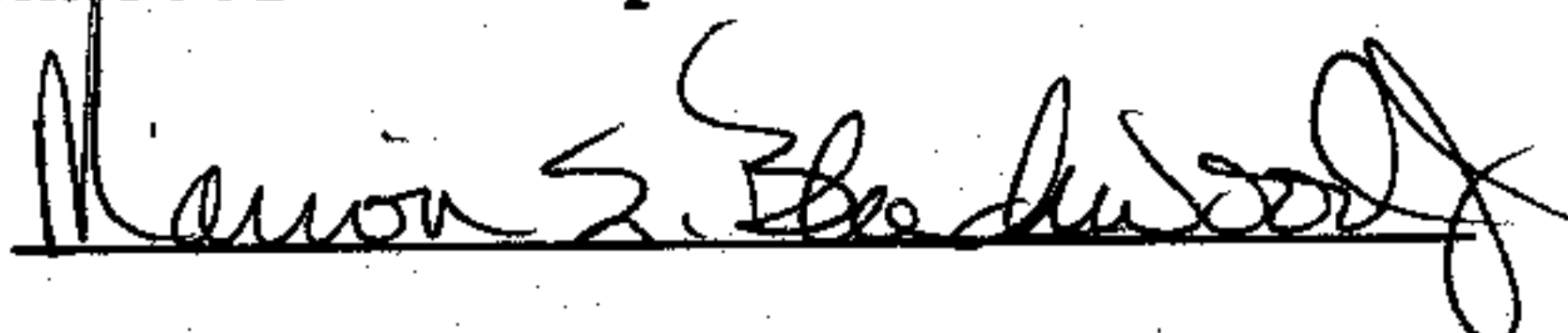
WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective representatives thereunto duly authorized all as of the day and year first above written.

WESTERN POCAHONTAS PROPERTIES
LIMITED PARTNERSHIP, a Delaware
limited partnership

By: Western Pocahontas Corporation,
a corporation
Its: General Partner

By: 
Its Treasurer

THE TRAVELERS INSURANCE COMPANY,
a Connecticut corporation

By: 
Its: _____

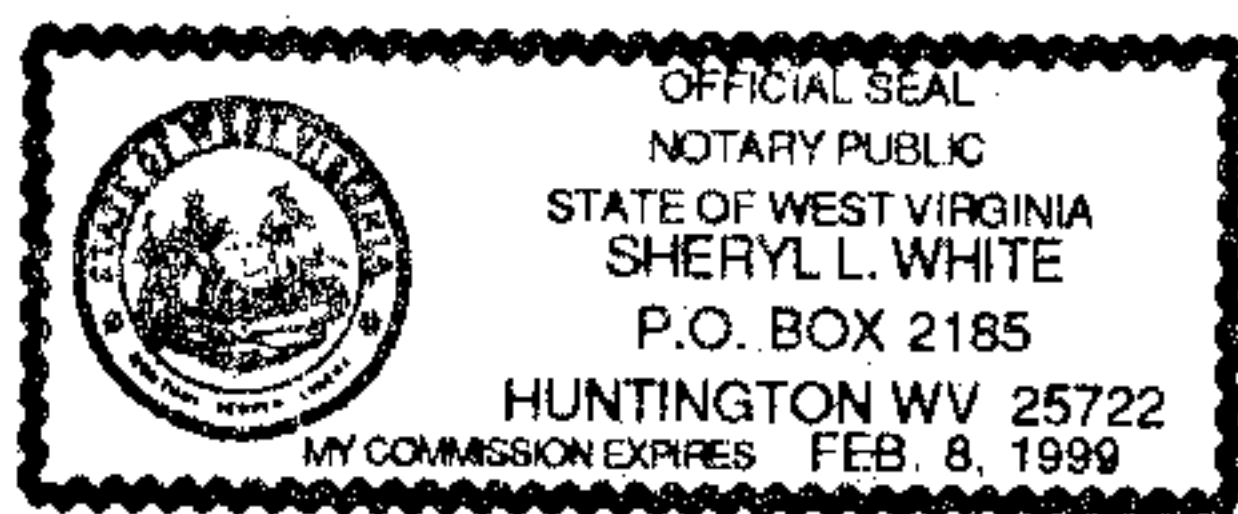
MARION E. BLACKWOOD JR.
REGIONAL DIRECTOR

STATE OF WEST VIRGINIA,
COUNTY OF CABELL, TO-WIT:

I, the undersigned authority, a Notary Public in and for the State and County, hereby, do certify that Dwight L. Dunlap, whose name as Treasurer of Western Pocahontas Corporation, a Texas corporation, the General Partner of Western Pocahontas Properties Limited Partnership, a Delaware 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 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 Western Pocahontas Properties Limited Partnership, a limited partnership.

Given under my hand and official seal this 13th day of July, 1992.

My commission expires the 8th day of February, 1999.



(SEAL)

Sheryll L. White
Notary Public

STATE OF CONNECTICUT,

COUNTY OF HARTFORD TO-WIT:

I, the undersigned authority, a Notary Public in and for the State and County, hereby, do certify that MARION E. BLACKWOOD JR., whose name as MARION E. BLACKWOOD JR. REGIONAL DIRECTOR of The Travelers Insurance Company, a Connecticut corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 10th day of July, 1992.

My commission expires the ____ day of _____, 19__.

RUDY MUNOZ
NOTARY PUBLIC
STATE OF CONNECTICUT
MY COMMISSION EXPIRES MARCH 31, 1995

(SEAL)


Notary Public

MARION E. BLACKWOOD JR.
REGIONAL DIRECTOR

This Instrument Prepared By:

Thomas H. Gilpin
Huddleston, Bolen, Beatty, Porter & Copen
P. O. Box 2185
Huntington, WV 25722

Exhibit A

WPPLP/TRAVELERS
December 1987 Financing Recordation Schedule
(State of Alabama)

<u>Filing Officer</u>	<u>Mortgage (Book/Page)</u>	<u>Assignment of Rentals (Book/Page)</u>	<u>UCC-1 The Travelers Insurance Company Secured Party</u>
Bibb Co. Judge of Probate	Mortgage 164/697	Assignment 164/697	11886
Blount Co. Judge of Probate	Mortgage 463/517	Deed 323/577	82174
Chilton Co. Judge of Probate	Mortgage 35/759	Mortgage 35/807	91587
Cullman Co. Judge of Probate	Mortgage Fiche 732/ Frame A-2	Assignment Fiche 733/ Frame D-8	169314
Jefferson Co. (Birmingham Div.) Judge of Probate	Real Property 3306/896	Real Property 3306/945	620351
Morgan Co. Judge of Probate	Real Estate Conveyances 1242/603	Real Estate Conveyances 1242/651	043637
St. Clair Co. (Ashville Div.) Judge of Probate	Mortgage 235/39	Deed 165/292	26866
Shelby Co. Judge of Probate	Mortgage 165/339	Mortgage 165/387	18,895
Tuscaloosa Co. Judge of Probate	Mortgage 1413/423	Deed 962/315	A1145
Walker Co. Judge of Probate	Mortgage 1307/804	Assignment 1293/39611	73963
Alabama Secretary of State	NA	NA	A267308

EXHIBIT B
TO LOAN DOCUMENT MODIFICATION AGREEMENT
BETWEEN WESTERN POCAHONTAS PROPERTIES
LIMITED PARTNERSHIP AND THE TRAVELERS
INSURANCE COMPANY

ALLONGE TO PROMISSORY NOTE

In the principal amount of \$35,000,000 from
Western Pocahontas Properties Limited Partnership,
a Delaware limited partnership ("Borrower")
to The Travelers Insurance Company,
a Connecticut corporation ("Travelers")
Dated December 16, 1987

This Allonge is made as of the 10th day of July, 1992, by
and between Western Pocahontas Properties Limited Partnership, a
Delaware limited partnership ("Borrower") and The Travelers
Insurance Company, a Connecticut corporation ("Travelers").

WITNESSETH:

WHEREAS, Borrower executed and delivered to Travelers a
Promissory Note (the "Note") in the principal sum of \$35,000,000
on December 16, 1987; and

WHEREAS, the outstanding principal balance of the Note as of
the date hereof before the Readvance, as defined below, is
\$8,888,457.59. Interest has been paid through the date of the
making of the Readvance.

WHEREAS, Borrower and Travelers have executed a Loan
Modification Agreement with respect to the Note on even date
herewith; and

WHEREAS, Borrower and Travelers desire to modify the Note as
provided in the Loan Modification Agreement and this Allonge to

provide an additional advance (the "Readvance") under the Note in the amount of \$11,381,542.41.

NOW, THEREFORE, for and in consideration of the sum of \$10.00, cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Travelers hereby agree as follows:

1. Pursuant to this Allonge, and pursuant to the Loan Modification Agreement, Travelers has re-advanced, and Borrower has received from Travelers, loan proceeds under the Note in the amount of \$11,381,542.41.

2. The Note is hereby amended to provide that the outstanding principal balance as of the date hereof is \$20,270,000.

3. The repayment paragraph, subparagraph (a) on page 5 of the Note is amended to read as follows:

Accrued interest on the principal amount of \$20,270,000 from July 16, 1992 (the "Readvance Date") to August 1, 1992, together with a regular payment of principal and interest in the amount of \$262,206.54 will be due and payable on September 1, 1992. Beginning October 1, 1992 and on the first day of each month thereafter until the Maturity Date, subject to earlier adjustment as herein provided, a payment of principal and interest on the principal balance in the amount of \$262,206.54 will be due and payable.

4. Subparagraph (c) on page 2 of the Note is hereby deleted and the following is substituted therefor:

(c) Notwithstanding anything in this Note to the contrary, it is specifically agreed that the rate of interest which will accrue upon the principal balance of this Note from

January 1, 1994 until the Maturity Date (subject to earlier adjustment as herein set forth) shall be determined by adding 230 Basis Points to the yield of the U.S. Treasury Note maturing closest to January 1, 1997 which was most actively traded on the first business day in November of 1993, provided that in no event shall such rate of interest be increased above the highest rate of interest allowed by the law to be charged on this Note. Travelers shall, within ten (10) days of the first business day in November of 1993, notify the Borrower of the adjusted interest rate which this Note will bear beginning January 1, 1994; and Travelers shall adjust the monthly payment of principal and interest to an amount necessary to amortize the unpaid principal balance of this Note, at the then applicable interest rate over the remainder of a hypothetical loan term of fifteen (15) years.

5. Subparagraph (d) on pages 2 and 3 of the Note is hereby deleted and the following is substituted therefor:

(d) Notwithstanding anything in this Note to the contrary, it is specifically agreed the rate of interest which will accrue upon the principal balance of this Note from January 1, 1997 until the Maturity Date (subject to earlier adjustment as herein set forth) shall be determined by adding 230 Basis Points to the yield of the U.S. Treasury Note maturing closest to January 1, 2000 which was most actively traded on the first business day in November of 1996, provided that in no event shall such rate of interest be increased above the highest rate of interest allowed by the law to be charged on this Note. Travelers shall, within ten (10) business days of the first business day in November of 1996, notify the Borrower of the adjusted interest rate which this Note will bear beginning January 1, 1997; and Travelers shall adjust the monthly payment of principal and interest to an amount necessary to amortize the unpaid principal balance of this Note, at the then applicable interest rate over the remainder of a hypothetical loan term of fifteen (15) years.

6. The notice address for The Travelers Insurance Company, on page 4 of the Note is hereby amended to read as follows:

The Travelers Insurance Company
One Tower Square - 2BP
Hartford, Connecticut 06183-2021
Attention: Investment Administration

with copies to

McGuire, Woods, Battle & Boothe
One James Center
Richmond, Virginia 23219
Attention: William F. Gieg, Esquire

and

The Travelers Companies
484 Mulberry Street, Suite 570
Macon, Georgia 31201
Attention: Account Representative

7. Except as modified herein, the Note shall remain in full force and effect.

This Allonge is to be construed and enforced in accordance with the laws of the State of West Virginia.

IN WITNESS WHEREOF, the undersigned have executed this Allonge as of the date and year first above written.

WESTERN POCAHONTAS PROPERTIES
LIMITED PARTNERSHIP, a
Delaware limited partnership

By: Western Pocahontas
Corporation, a Texas
corporation, its General
Partner

By: Dwight L. Dunlap, Treasurer

THE TRAVELERS INSURANCE COMPANY

By: _____

Name: _____

Title: _____

7753\1097\TRAVELER\ALLONGE5.NOT

Inst # 1992-14084
Tax Paid in Jeff Co.
07/15/1992-14084
12:20 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
013 MCD 37.50