

ASSUMPTION AGREEMENT
(without release of Original Grantor)

KNOW ALL MEN BY THESE PRESENTS:

COMPASS BANK, successor by change of name to CENTRAL BANK OF THE SOUTH ("Compass Bank" or "Lender"), is the present holder of a note executed by THORNTON CONSTRUCTION COMPANY, INC., an Alabama corporation (hereafter called "Borrower") in the principal sum of \$6,000,000.00 dated May 1, 1992, and as amended pursuant to amendment agreements between Lender and Borrower dated June 16, 1992, May 14, 1993, July 9, 1993, April 27, 1994, and May 16, 1995 (as amended, the "Note"), evidencing a loan from Lender to Borrower in such amount (the "Loan"), which Note is secured by, among other collateral, a certain Accommodation Mortgage and Security Agreement dated May 1, 1992, and recorded at Instrument # 1992-7102 in the Office of the Judge of Probate of Shelby County, Alabama, and as amended pursuant to the amendment agreements between Lender and Greystone Ridge Partnership, an Alabama general partnership ("Partnership") recorded in the Office of the Judge of Probate of Shelby County, Alabama as Instrument Numbers 1992-08750; 1992-09709; 1992-13902; 1992-14169; 1992-17964; 1992-21533; 1993-01023; 1993-04546; 1993-09181; 1993-10458; 1993-15154; 1993-15155; 1993-19341; 1993-21231; 1993-22016; 1993-22018; 1993-22020; 1993-23900; 1993-23903; 1993-29955; 1993-29957; 1993-35581; 1993-35583; 1993-37885; 1993-37888; 1993-41571; 1993-41574; 1994-02738; 1994-02741; 1994-5808; 1994-5810; 1994-05812; 1994-8660; 1994-8662; 1994-14715; and 1994-14717, and assumed by Greystone Ridge, Inc., an Alabama corporation ("Ridge"), pursuant to that certain Assumption Agreement dated May 10, 1994, and recorded as Instrument Number 1994-16984 in said Probate Office and as further amended pursuant to the amendment agreements between Lender and Ridge recorded in said Probate Office as Instrument Numbers 1994-16985; 1994-21156; 1994-27099; 1994-27101; 1994-27103; 1994-30619; 1994-30621; 1994-31109; 1994-31540; 1994-34145; 1994-34147; 1994-34763; 1995-617; 1995-619; 1995-2000; 1995-2002; 1995-2004; 1995-4576; 1995-4578; 1995-7022; 1995-7024; 1995-7026; 1995-8964; 1995-10095; 1995-10087; 1995-10089; 1995-10091; and 1995-10093 (as so amended and assumed, the "Mortgage"). Ridge proposes to sell the property covered by the Mortgage, together with other assets of Ridge including rights to purchase additional real property, to GREYSTONE LANDS, INC., an Alabama corporation (hereinafter called "Purchaser"), and the Purchaser desires to assume all of the obligations of Ridge under the Mortgage, and under any other document executed or furnished by Ridge in connection with the Note or Mortgage, as part of the consideration for the conveyance to the Purchaser of the real property covered by the Mortgage and such other assets. Compass Bank is willing to consent to said conveyance and assumption of said obligations, subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, IT IS HEREBY AGREED AMONG THE PARTIES as follows:

1. Compass Bank, to the extent of its interest, does hereby consent to the sale and conveyance of the property covered by the Mortgage (the "Property") by Ridge to said Purchaser, subject, however, to all of the provisions of this Agreement.

05/22/1995
09:40 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
012 SNA 36.00

Inst # 1995-13319

2. The Purchaser acknowledges that the said Mortgage is a first, valid and prior lien or encumbrance against the Property, and the Purchaser further acknowledges that the Mortgage, Note and other documents evidencing, securing or otherwise relating to the Note or Mortgage (collectively, the "Loan Documents") are enforceable in accordance with their respective terms.

3. The Property shall remain in all respects subject to the lien, charge or encumbrance of said Mortgage, or conveyance of title (if any) effected thereby, and nothing herein contained and nothing done pursuant hereto, shall affect or be construed to affect the lien, charge or encumbrance of, or conveyance effected by, the Mortgage, or the priority thereof over other liens, charges, encumbrances or conveyances or to release or affect the liability of any party or parties whomsoever who may now or hereafter be liable hereunder or on account of the Note and/or Mortgage; nor shall anything herein contained or done pursuant hereto affect or be construed to affect any other security or instrument, if any, held by Compass Bank as additional security for or evidence of the aforesaid indebtedness.

4. The Purchaser does hereby assume and agree to fully and timely perform all of the obligations provided in the Mortgage and to be subject to and comply with all terms and conditions thereof.

5. The Mortgage is hereby restated, republished and affirmed by Purchaser in its entirety, including without limitation, each and every representation, warranty, covenant and agreement made by the Partnership or Ridge therein. Ridge and Purchaser hereby represent, warrant and certify to Lender that no Event of Default (as defined in the Mortgage), nor any condition nor any event that with notice or lapse of time or both would constitute an Event of Default, has occurred and is continuing under the Mortgage and that Ridge and Purchaser have no offsets or claims against Lender arising under, related to, or connected with the Loan, Mortgage, Note or any of the other Loan Documents.

6. Purchaser shall pay any recording and other expenses incurred by Lender, Ridge or Purchaser in connection with the assumption of the Mortgage effected hereby, including without limitation, title or other insurance premiums, legal expenses and recording fees and taxes.

7. Each of the Loan Documents, including without limitation, the Master Loan Agreement for Construction Financing between Borrower and Lender dated May 1, 1992, as amended, shall be deemed amended hereby to the extent necessary to carry out the intent of this Agreement and, except as expressly set forth herein, all of the Loan Documents shall remain in full force and effect in accordance with their respective terms and shall continue to evidence, secure, guarantee or relate to, as the case may be, the Loan.

8. Ridge shall remain fully liable and obligated under the Mortgage except to the extent applicable to any and all parcels of real property that may be made subject to the Mortgage subsequent hereto.

9. The Guarantors executing this instrument below consent to the sale and conveyance of the Property covered by the Mortgage and other transactions contemplated hereby and each agrees that he, she or it shall remain fully liable and obligated under the Guaranty Agreement executed in connection with the Loan, Note and other Loan Documents.

10. Borrower has executed this Agreement to evidence its consent to the sale and conveyance of the Property covered by the Mortgage and the amendment of the Loan Documents effected hereby.

11. This Agreement shall be binding upon the parties hereto, their heirs, personal representatives, successors and assigns.

12. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

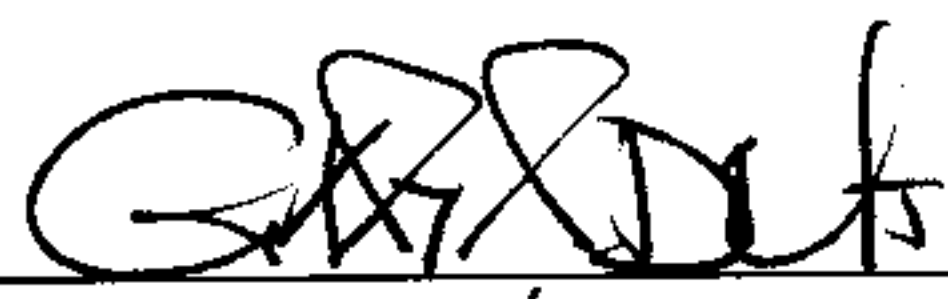
13. In case any one or more of the covenants, agreements, terms or provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity and enforceability of the remaining covenants, agreements, terms or provisions contained herein shall in no way be prejudiced, diminished or otherwise effected thereby.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be duly and properly executed as of May 16th, 1995.

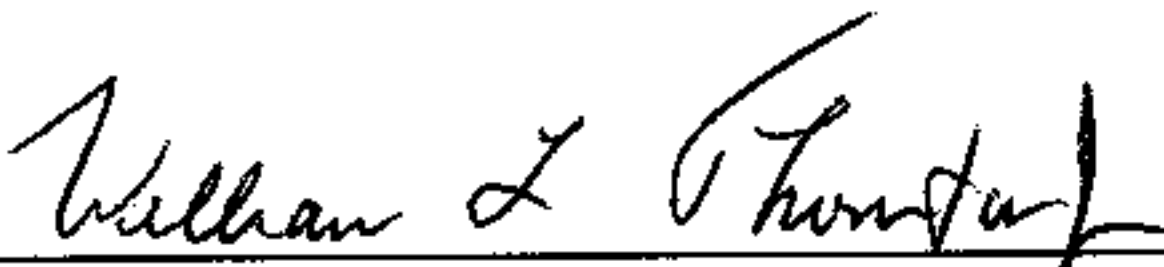
GREYSTONE RIDGE, INC.

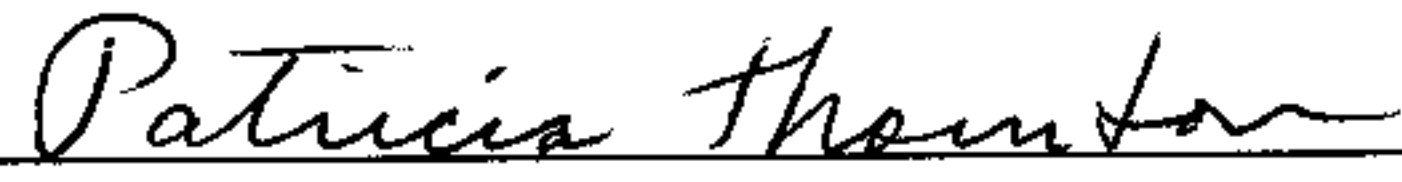
By: 
Its: PRESIDENT

GREYSTONE LANDS, INC.

By: 
Its: PRESIDENT

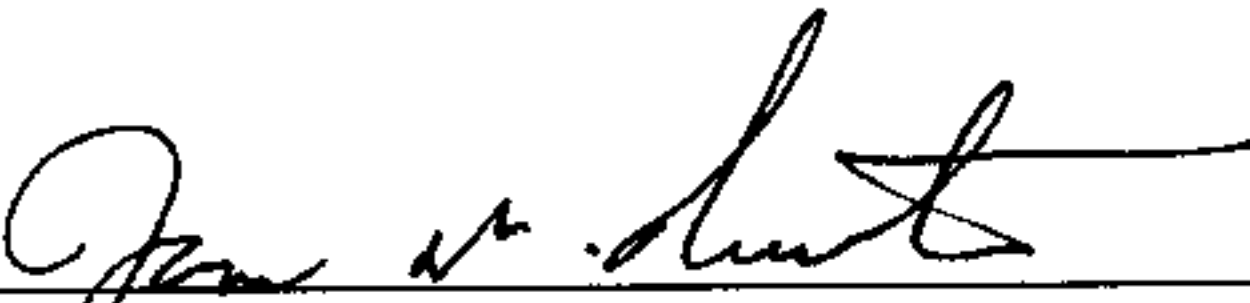
GUARANTORS:


WILLIAM L. THORNTON, JR.

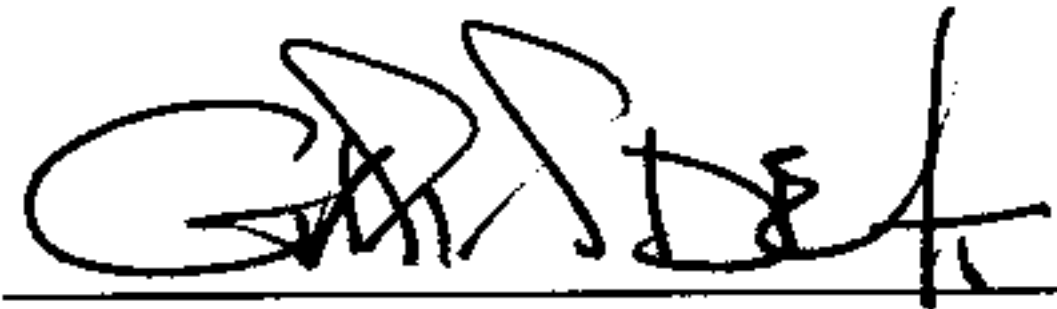

PATRICIA THORNTON


WILLIAM L. THORNTON, III


MAVIS THORNTON

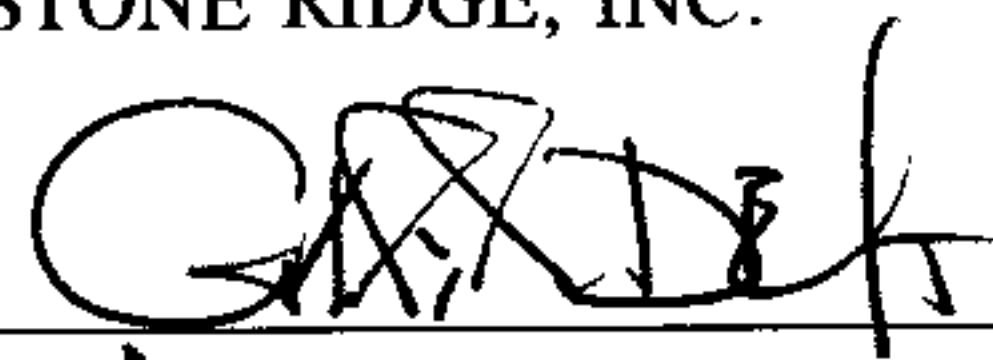

JAMES M. THORNTON


VIRGINIA THORNTON


GARY R. DENT

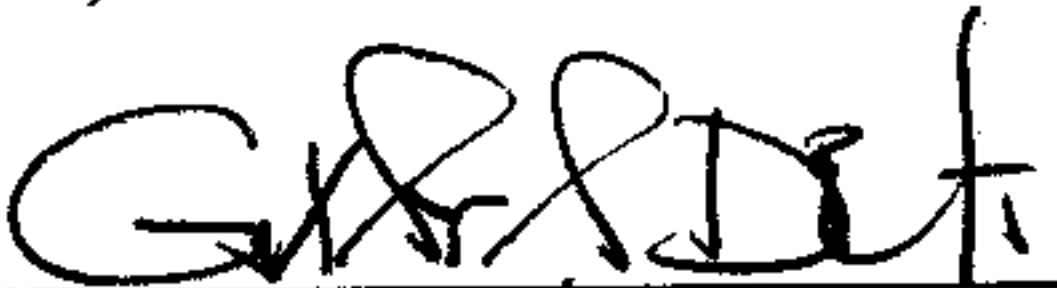

CATHERINE T. DENT

GREYSTONE RIDGE, INC.

By: 
Its: PRESIDENT

BORROWER:

**THORNTON CONSTRUCTION
COMPANY, INC.**

By: 
Its: President

LENDER:

COMPASS BANK

By: 
Its: Real Estate Officer

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that GARY R. DENT, whose name as PRESIDENT of GREYSTONE RIDGE, INC., a 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 such instrument, _____, 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 16 day of May, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that GARY R. DENT, whose name as PRESIDENT of GREYSTONE LANDS, INC., a 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 such instrument, _____, 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 16 day of May, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

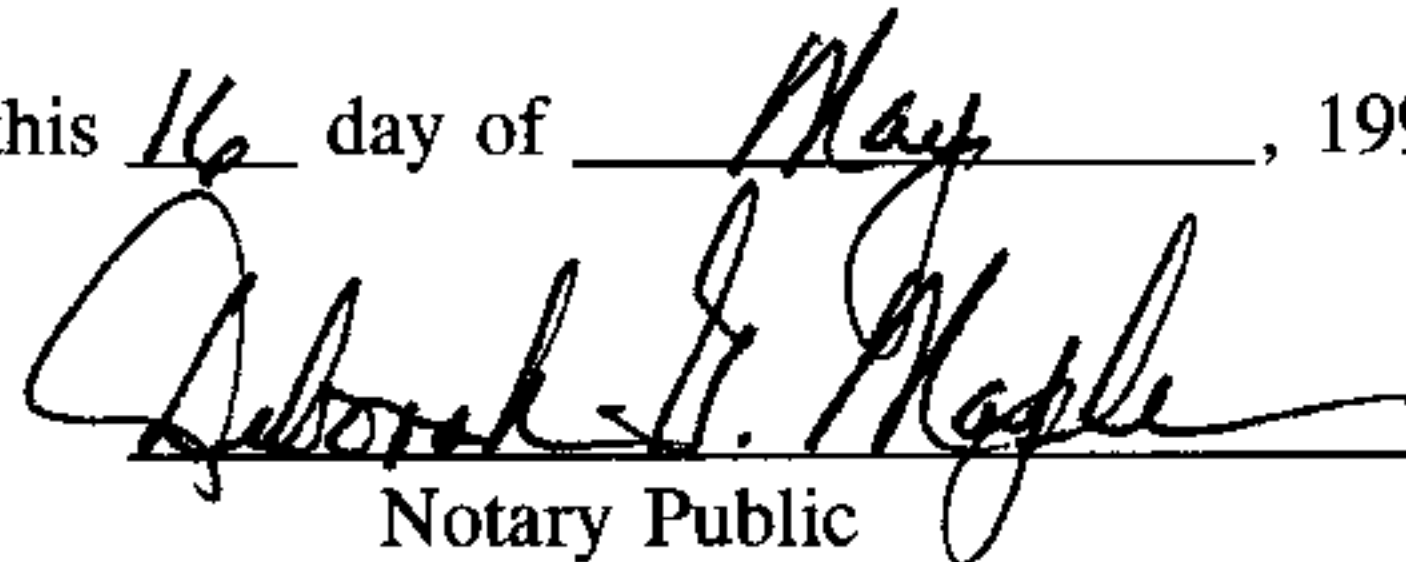
My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that WILLIAM L. THORNTON, JR., whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16 day of May, 1995.


Notary Public

[Notarial Seal]

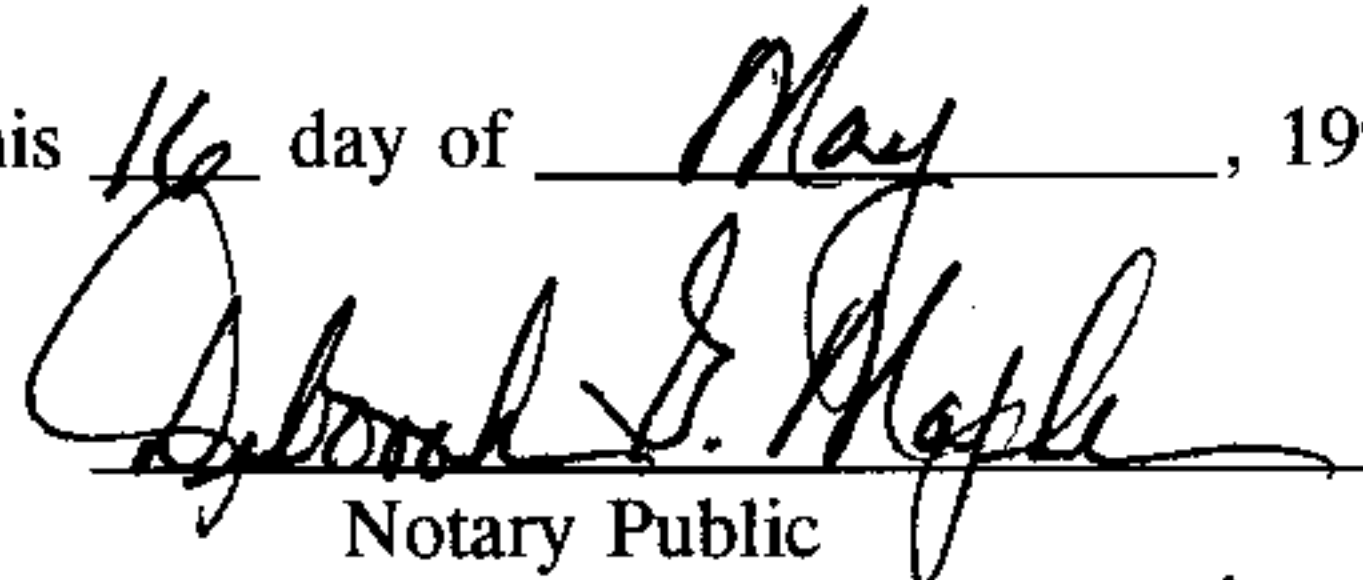
My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that PATRICIA THORNTON, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16 day of May, 1995.


Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that WILLIAM L. THORNTON, III, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16 day of May, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that MAVIS THORNTON, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16 day of May, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that JAMES M. THORNTON, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16 day of May, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that VIRGINIA THORNTON, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16 day of May, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that GARY R. DENT, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16 day of May, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that CATHERINE T. DENT, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of such instrument, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 16 day of May, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that GARY R. DEUT whose name as PRESIDENT of GREYSTONE RIDGE, INC., a corporation, is signed to the foregoing instrument and who is known to me acknowledged before me 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 16 day of MAY, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, DEBORAH G. MAPLE, a notary public in and for said county in said state, hereby certify that GARY R. DEUT whose name as PRESIDENT of THORNTON CONSTRUCTION COMPANY, INC., a 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 such 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 16 day of May, 1995.

Deborah G. Maple
Notary Public

[Notarial Seal]

My Commission Expires: 10/16/96

STATE OF ALABAMA

COUNTY OF Jefferson.

I, Aue A. Asher, a notary public in and for said county in said state, hereby certify that James G. McKay, whose name as Real Estate Officer of COMPASS BANK, a 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 such 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 17th day of May, 1995.

Aue A. Asher
Notary Public

[Notarial Seal]

My Commission Expires: 3/23/99

Inst # 1995-13319

05/22/1995-13319
09:40 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
012 SNA 36.00