

STATE OF ALABAMA)

COUNTY OF SHELBY)

**PARTIAL RELEASE OF MORTGAGE AND SUBSTITUTION OF SECURITY**

This Partial Release of Mortgage and Substitution of Security made this 21<sup>st</sup> day of November, 1996 by and between **Compass Bank formerly known as Central Bank of the South** (herein referred to as "Bank") and **Highland Lakes Development, Ltd.** (herein referred to as "Mortgagor").

WHEREAS, Mortgagor is the fee simple owner of Lot 704, according to the Survey of Highland Lakes, 7th Sector, an Eddleman Community, as recorded in Map Book 20, Page 58 A, B & C, in the Probate Office of Shelby County, Alabama (Lot 704, Highland Lakes); and

WHEREAS, Bank holds a Mortgage as recorded in Instrument #1993-15710; with an extension recorded as Instrument #1995-19676; along with a subordination agreement recorded as Instrument #1996-3533 and Instrument #1996-3354 with a Collateral Assignment of Contract executed as additional security, recorded as Instrument #1993-15711, in the Probate Office of Shelby County, Alabama (herein the "Mortgage") securing a Note executed by Highland Lakes Development, Ltd., which Mortgage encumbers in a first lien status Lot 704, Highland Lakes, together with other property (herein the "Other property").

WHEREAS, Mortgagor is desirous of conveying Lot 704, Highland Lakes, free and clear of the Mortgage and substituting in place of Lot 704, Highland Lakes that property described as follows:

Lot 147, according to the Survey of Highland Lakes, 1st Sector, an Eddleman Community, as recorded in Map Book 18, Page 37 A, B, C, D, E, F & G, in the Probate Office of Shelby County, Alabama (Lot 147, Highland Lakes).

WHEREAS, Bank has agreed to release Lot 704, Highland Lakes, from the Mortgage, so long as the Note and Mortgage apply to Lot 147, Highland Lakes and the other property in a first lien status.

NOW THEREFORE, in consideration of the premises, the mutual covenants contained herein and the sum of Ten Dollars and other good and valuable consideration in hand paid by Mortgagor to Bank, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Bank releases Lot 704, according to the Survey of Highland Lakes, 7th Sector, an Eddleman Community, as recorded in Map Book 20, Page 58 A, B, & C, in the Probate Office of Shelby County, Alabama in full from the lien of the Mortgage as recorded in Instrument #1993-15710; with extension recorded as Instrument #1995-19676; along with subordination agreement recorded as Instrument #1996-3533 and Instrument #1996-3534, and Collateral Assignment of Contract recorded in Instrument #1993-15711, in the Probate Office of Shelby County, Alabama.

SHELBY COUNTY JUDGE OF PROBATE

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CLAYTON T. SWEENEY, ATTORNEY AT LAW

Inst # 1996-40453

2. In consideration of the Note and in order to secure the same, any other indebtedness or obligation of Mortgagor to Bank, whether as principal debtor, endorser, guarantor or otherwise, whether now existing or hereafter incurred, Mortgagor grants, bargains, sells and conveys to Bank under the exact terms, and intending to be made a part of the Mortgage recorded in Instrument #1993-15710; with extension recorded as Instrument #1995-19676; along with subordination agreement recorded as Instrument #1996-3533 and Instrument #1996-3534, and Collateral Assignment of Contract recorded in Instrument #1993-15711, in the Probate Office of Shelby County, Alabama, Lot 147, Highland Lakes, 1st Sector, an Eddleman Community, as recorded in Map Book 18, Page 37 A, B, C, D, E, F & G, in the Probate Office of Shelby County, Alabama.

TO HAVE AND TO HOLD, together with all and singular the rights, tenants, hereditaments and appurtenances thereunto belonging or in anyway appertaining, unto the Bank, its successors or assigns, in fee simple, upon the exact terms and conditions of the Mortgage and Note. And Mortgagor, for itself, its successors and assigns, does hereby covenant with Bank that it is lawfully seized in fee simple of Lot 147, Highland Lakes and that it has a good right to sell and convey the same and that Lot 147, Highland Lakes is free from encumbrances; and that it warrants and will forever defend the title to Lot 147, Highland Lakes, against the lawful claims and demands of all persons whomsoever.


3. The parties acknowledge that the express purpose of this document is to simply substitute Lot 147, Highland Lakes for Lot 704, Highland Lakes as the same relate to the Mortgage and the Note and hereafter, the Mortgage and Note shall not apply to Lot 704, Highland Lakes but shall apply to Lot 147, Highland Lakes (together with the Other Property) and further that all terms and conditions and provisions of the Mortgage as originally written or amended and the Note as originally written or amended shall, (in addition to applying to the Other Property) apply to Lot 147, Highland Lakes.

4. Except for the Partial Release and Substitution of Security set forth herein, the Mortgage and the Note shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this the 21<sup>st</sup> day of November, 1996.

BANK:  
COMPASS BANK  
formerly known as  
CENTRAL BANK OF THE SOUTH

BY:

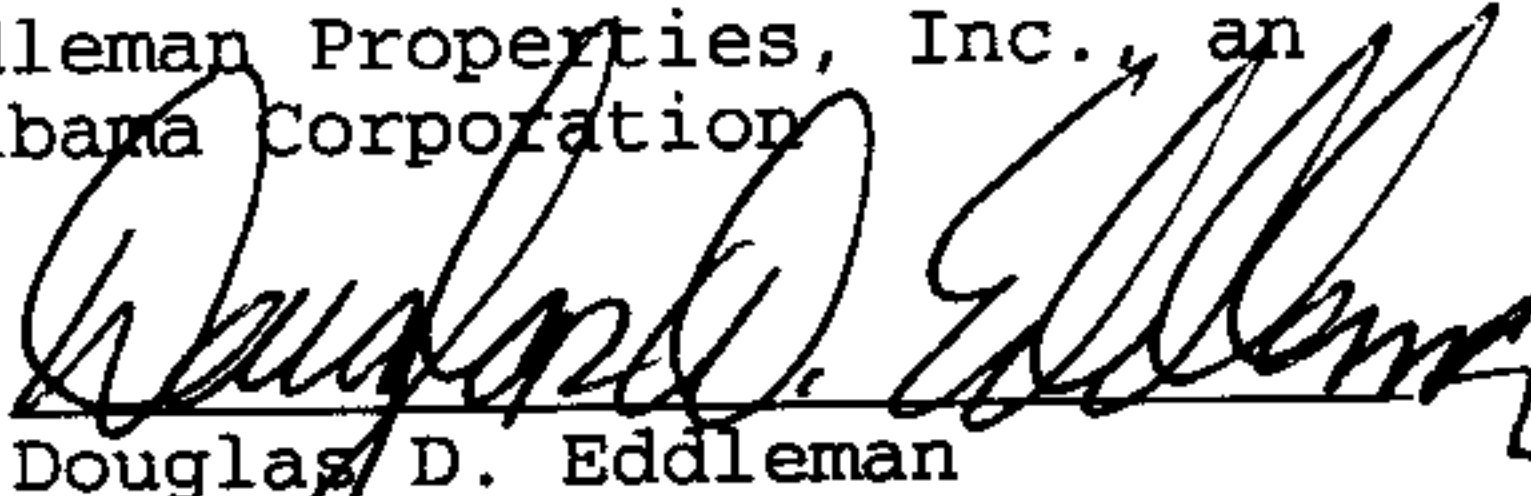
  
Rebecca D. Shuler

ITS: Vice President

MORTGAGOR:

HIGHLAND LAKES DEVELOPMENT,  
LTD., an Alabama Limited  
Partnership  
by its General Partner,  
Eddleman Properties, Inc., an  
Alabama Corporation

BY:

  
Douglas D. Eddleman  
ITS: President

STATE OF ALABAMA)  
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that Rebecca D. Shuler, whose name as Vice President, of COMPASS BANK formerly known as CENTRAL BANK OF THE SOUTH, an Alabama banking association, 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/she, as such officer and with full authority, executed the same voluntarily for and as the act of said association.

Given under my hand and seal this 21st day of November, 1996.

Brenda Swane

Notary Public

My Commission Expires: 6-12-98

STATE OF ALABAMA)  
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, do hereby certify that Douglas D. Eddleman, whose name as President of Eddleman Properties, Inc., an Alabama Corporation, the General Partner of Highland Lakes Development, Ltd., an Alabama 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 acting in its capacity as general partner of said limited partnership.

Given under my hand and seal this the 15th day of November, 1996.

[Signature]  
Notary Public

My Commission Expires: 5/29/99

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12/09/1996-40453  
11:15 AM CERTIFIED

SHELBY COUNTY JUDGE OF PROBATE  
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