

This instrument prepared by:

Robert R. Sexton
MAYNARD, COOPER & GALE, P.C.
2400 AmSouth/Harbert Plaza
1901 Sixth Avenue North
Birmingham, Alabama 35203-2602
(205) 254-1000

Inst # 1997-00846

01/09/1997-00846
11:59 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
027 SNA 73.50

LOAN ASSUMPTION AND MODIFICATION AGREEMENT

This **LOAN ASSUMPTION AND MODIFICATION AGREEMENT** (this "Agreement") is made and entered into as of the 9th day of January, 1997, by and among **RIVERCHASE CENTER ASSOCIATES**, a dissolved Alabama general partnership ("Borrower"), **G-B Partnership**, an Alabama general partnership ("G-B"), **Ingram D. Tynes**, individually ("Tynes"), **Carolyn B. Nelson**, individually ("Nelson"), **Irby M. Cohen**, individually, ("Cohen") (G-B, Tynes, Nelson and Cohen, collectively, the "Tenants in Common" or individually, a "Tenant in Common"); **COLONIAL REALTY LIMITED PARTNERSHIP**, a Delaware limited partnership ("Assumptor"), **COLONIAL PROPERTIES HOLDING COMPANY, INC.**, an Alabama corporation (the "General Partner"), and **METROPOLITAN LIFE INSURANCE COMPANY**, a New York corporation ("Lender").

RECITALS

A. Borrower heretofore executed that certain Promissory Note dated as of December 19, 1990 (the "Note") payable to the order of Lender in the principal sum of \$9,600,000.00 (the "Loan").

B. The Note is secured by, among other things, (i) a first priority Mortgage and Security Agreement in favor of Lender (the "Mortgage") encumbering certain real property and improvements thereon located in Shelby, County, Alabama and described in Exhibit A attached hereto (the "Property"), filed for record with the Probate Office of Shelby County, Alabama (the "Probate Office") in Book 323, Page 103, (ii) Assignment of Lessor's Interest in Leases dated December 19, 1990 from Borrower to Lender filed for record with the Probate Office in Book 323, Page 143 (the "Assignment of Leases") and (iii) UCC-1 Financing Statements filed with the Probate Office in #27171 and with the Secretary of State of Alabama in B 90-45840 FS (the "UCC-1s"). In addition to the above the Borrower executed that certain Unsecured Indemnity Agreement in favor of Lender (the "Borrower's Indemnity Agreement") (the Note, Mortgage, Assignment of Leases, UCC-1s, collectively referred to as the "Original Loan Documents").

C. The Original Loan Documents were modified on December 1, 1995, as evidenced by, among other documents, the following documents, executed by the Borrower and Lender (collectively, the "Modification Documents"): (i) a Note Modification Agreement, modifying the Note, (ii) a Mortgage Modification Agreement, filed with the Probate Office in Instrument # 1995-36309, modifying the Mortgage and (iii) UCC-3 Financing Statements filed with the Probate Office in 1995-36475 and with the Secretary of State of Alabama on December 20, 1995 and other Original Loan Documents. (The Original Loan Documents, as modified by the Modification Documents, collectively, the "Loan Documents").

D. Borrower has dissolved and is winding up its affairs; and the Tenants in Common (who, upon dissolution of Borrower, became vested in fee simple title to the Property as tenants in common, subject to the Mortgage) desire to sell the Property to Assumptor for a purchase price of \$11,614,645.00.

E. Pursuant to a one time transfer right provided in the Mortgage, Lender has been asked to consent to the transfer of the Property to Assumptor and the assumption by Assumptor and its General Partner of the obligations and indemnifications of Borrower under the Loan Documents.

F. Lender has agreed to (i) waive any default that resulted from the dissolution of Borrower (so long as the Tenants in Common ratify and agree to be jointly and severally liable to Lender resulting from such dissolution of Borrower) and (ii) consent to the transfer of the Property subject to the terms and conditions of this Agreement, provided: (a) the Loan balance is reduced by \$729,022.35 (the "Principal Reduction") so that the Loan to Value (as defined in Section 5.01 of the Mortgage is 75%, (b) a 1% transfer fee is paid to Lender, (c) the parties hereto execute this Agreement, (which shall thereafter be deemed a Loan Document) (d) the Assumptor and its General Partner execute an Unsecured Indemnity acceptable to Lender (the "Assumptor's Unsecured Indemnity") and (e) the Tenants in Common agree to be bound, jointly and severally, in all respects under the Loan Documents as and in the same manner as the Borrower, prior to its dissolution.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties incorporate the above recitals and agree as follows:

1. Assumption of Loan. As of the date of this Agreement, Assumptor agrees to and does hereby expressly assume and agree to pay all of the payment and performance obligations of Borrower set forth in the Note, the Mortgage and under each of the other Loan Documents, whether as "Borrower", "Maker", "Mortgagor", "Debtor", "Assignor", or "General Partner", together with interest thereon and all other amounts due thereunder, including any and all renewals, consolidations, rearrangements, continuations, modifications, and extensions thereof and any and all substitutions thereof, if any, subject, however, to the non-recourse provisions of and as more particularly described in Section 10 of the Note and Section 1.17 of the

Mortgage. As of the date of this Agreement, Assumptor further agrees to abide and be bound by all of the terms of the Loan Documents, as that term is modified herein, all as though each of the Loan Documents had been made, executed and delivered by Assumptor. Assumptor acknowledges that it is purchasing the Property subject to Lender's interest therein as created and governed by the Mortgage and other Loan Documents. As of the date of this Agreement, Assumptor agrees to be bound by and perform each and every term, covenant and condition of and as Borrower under the Note, Mortgage and the other Loan Documents. Nothing in this Agreement shall (i) release or impair the Note, (ii) prevent Lender from exercising any other remedy against the Property, (iii) constitute a substitution or novation of any of the Loan Documents; or (iv) prevent or in any way hinder Lender from exercising its remedies in respect to any collateral securing the Loan or against any obligors or indemnitors of the Loan except as otherwise set forth herein. Assumptor and its General Partner further agree to assume all indemnification obligations of Borrower, that are contained in the Loan Documents, including, but not limited to, those certain "carve-out" provisions to the non-recourse provisions of and as more particularly described in Section 10 of the Note and Section 1.17 of the Mortgage; provided however, that such assumed indemnification obligations shall pertain solely to claims, demands, judgments, liabilities and costs that occur after the date hereof.

Upon nonpayment by Assumptor when due of any amounts owing under the Note or Loan Documents as therein provided, or any other costs which may accrue as a result of Assumptor's failure to satisfy any of its obligations hereunder or under the Loan Documents, Lender shall have the right to cause the immediate acceleration of the Note and, in addition thereto and not in lieu thereof, Lender shall have all other rights at law and equity and under the Note, the Mortgage, and the other Loan Documents. Assumptor hereby waives presentment, demand for payment, notice of intent to accelerate, notice of acceleration, protest, and renewals, substitutions, rearrangements, continuations, consolidations or modifications of the Note and the release of any or all of the collateral securing payment of the Note, all without notice to the Assumptor; Assumptor further acknowledges that the Loan Documents contain additional waivers and agrees to be bound by all such waivers as if each were repeated verbatim herein.

2. Assumptor's and General Partner's Agreements, Representations and Warranties. Without limitation of any of the obligations, representations, warranties and liabilities assumed by Assumptor in and pursuant to this Agreement and the Loan Documents, Assumptor and General Partner agree, represent and warrant to Lender as of the date of this Agreement that:

(a) with respect to (i) through (iv) below, agree only with and further waive any claim that might result from the inaccuracy of the following statements:

(i) immediately after application of the Principal Reduction, the Note will have an unpaid principal balance of \$8,710,983.75, and prior to a default bears interest at the per annum rate of seven and eight hundred seventy-five thousandths percent (7.875%);

(ii) the monthly payments of principal and interest are Seventy Four Thousand Eight Hundred Thirty and 02/100 Dollars (\$74,830.02), with an escrow payment for taxes in the monthly amount of \$5,505.00, the first such monthly principal, interest and tax escrow payments being due February 1, 1997 (January's escrow having been collected at closing);

(iii) the Mortgage is a valid first priority lien on the Property for the full unpaid principal amount of the Loan and all other amounts as stated in the Mortgage;

(iv) there are no defenses, offsets or counterclaims to the Note, the Mortgage or the other Loan Documents;

(b) all provisions of the Note, the Mortgage and the other Loan Documents, are, as of the date hereof, in full force and effect and are, by virtue thereof, enforceable against Assumptor and General Partner in accordance with their respective terms;

(c) there are no defaults by Assumptor or General Partner under the provisions of the Note, the Mortgage or the other Loan Documents, nor do Assumptor or General Partner know of any facts or circumstances, which, with the passage of time, or the giving of notice, or both, would constitute an Event of Default by Assumptor or General Partner under the Loan Documents;

(d) General Partner is the sole general partner of Assumptor;

(e) neither Assumptor nor General Partner is insolvent and neither shall be rendered insolvent as a consequence of the acquisition of the Property and the other transactions that are the subject of this Agreement;

(f) Assumptor is and shall remain a Delaware limited partnership which is duly organized, validly existing and in good standing in the State of Delaware and is qualified and in good standing in Alabama and in all other jurisdictions where qualification is necessary. Assumptor has all requisite power and authority and has taken or caused to be taken all necessary partnership actions necessary to execute, deliver, enter into and perform in accordance with this Agreement, the Note, the Mortgage, Assumptor's Unsecured Indemnity and all of the other Loan Documents. Upon execution and delivery hereof and thereof, this Agreement, the Note, the Mortgage, Assumptor's Unsecured Indemnity and the other Loan Documents will constitute valid and binding obligations of Assumptor, General Partner and other parties thereto, enforceable in accordance with their respective terms, and the holder of the Note will be entitled to the benefits of this Agreement, Assumptor's Unsecured Indemnity and the other Loan Documents;

(g) General Partner is a corporation which is duly organized, validly existing and in good standing in the State of Alabama and is qualified and in good standing in all other jurisdictions where qualification is necessary. General Partner has all requisite power and

authority and has taken or caused to be taken all necessary corporate action necessary to execute, deliver, enter into and perform in accordance with this Agreement, Assumptor's Unsecured Indemnity and all of the other Loan Documents which require performance or obligations of or from General Partner;

(h) Assumptor and General Partner have filed or caused to be filed all federal, state and local tax returns, which are required to be filed by them, and have paid or caused to be paid all taxes as shown on said returns or on any assessment received by them, to the extent that such taxes have become due;

(i) upon transfer of the Property as contemplated in this Agreement, Assumptor shall be the owner in fee of the Property as well as the owner of the personal property described in the Loan Documents and all leases affecting the Property;

(j) neither Assumptor nor General Partner are aware of any leases affecting the Property except as described on that certain certified rent roll dated as of December 31, 1996, (the "Rent Roll") which is incorporated herein by reference thereto (the "Leases");

(k) Assumptor and General Partner possess such licenses and permits as are required for the conduct of their respective business. No approval, consent, or authorization of any governmental authority which has not heretofore been obtained is necessary for the execution or delivery by Assumptor or General Partner of this Agreement or the other Loan Documents or for the performance by Assumptor or General Partner of any of the terms or conditions hereof or thereof. To the best of Assumptor's knowledge after due inquiry, all franchises, licenses, and permits needed by Assumptor to operate the Property, are free and clear of legal disqualifications or other restrictions of such a nature as would limit the full operation of the Property as presently conducted to the date of expiration of each such franchise, license or permit;

(l) there are no suits, proceedings or investigations pending or, to the best of Assumptor's and General Partner's knowledge, threatened against or affecting Assumptor, which, if adversely determined, would have a material and adverse effect on Assumptor; nor are Assumptor or General Partner aware of any suits, proceedings or investigations pending or, to the best of Assumptor's and General Partner's knowledge, threatened against or affecting the Property at law or in equity, or before or by a governmental or administrative agency or instrumentality. There are no suits, proceedings or investigations pending or, to the best of Assumptor's and General Partner's knowledge, threatened against or affecting any General Partner which, if adversely determined, would have a material impact on such General Partner;

(m) There is no judgment, decree or order of any court or governmental or administrative agency or instrumentality which has been issued against Assumptor or any General Partner and which has or may have any material adverse effect on Assumptor or any General Partner, nor are Assumptor or General Partner aware of any judgment, decree or order

of any court or governmental or administrative agency or instrumentality which has been issued against the Property;

(n) The execution, delivery and performance of this Agreement and the assumption of the Note and the other Loan Documents, do not contravene any law, order, decree, rule, or regulation to which Assumptor or any General Partner is subject; and

(o) Assumptor and General Partner hereby certify that they have thoroughly reviewed the provisions of this Agreement, the Note, the Mortgage and the other Loan Documents, that they have been advised and represented by counsel of their own choice in this transaction, and that they understand and consent to the provisions of such instruments.

3. Borrower's and Tenants in Common's Agreements, Representations and Warranties. Borrower and Tenants in Common represent and warrant to the Lender as of the date of this Agreement, that:

(a) immediately after application of the Principal Reduction and the payment for January, 1997, which January payment has been paid, the Note has an unpaid principal balance of \$8,710,983.75, and prior to a default bears interest at the per annum rate of seven and eight hundred seventy-five thousandths percent (7.875%);

(b) there are no defenses, offsets or counterclaims to the Note, the Mortgage or the other Loan Documents;

(c) there are no defaults by Borrower or any of Tenants in Common under the provisions of the Note, the Mortgage or the other Loan Documents;

(d) all provisions of the Note, the Mortgage and the other Loan Documents are in full force and effect and are enforceable against Borrower and Tenants in Common in accordance with their respective terms;

(e) there are no subordinate liens of any kind covering or relating to the Property, nor are there any mechanics' or materialmen's liens or liens for taxes or assessments encumbering the Property that are due and payable, nor has notice of a lien or notice of intent to file a lien been received;

(f) Neither Borrower nor any of Tenants in Common is insolvent and neither Borrower nor any of Tenants in Common shall be rendered insolvent as a consequence of its transfer of the Property and the other transactions that are the subject of this Agreement;

(g) none of the Leases have been modified in any material respect, except as shown on the Rent Roll, or terminated, and each Lease remains in full force and effect as the

date hereof; none of the Leases and none of the rents accrued, accruing or to accrue thereunder is subject to any prior assignment, security interest, defense or setoff;

(h) since the execution of the Loan Documents, the Property has not been damaged by fire or any other casualty, is not the subject of any condemnation proceedings and there has been no material adverse change in the Property;

(i) Borrower and each Tenant in Common is in compliance with all the terms and provisions of the Loan Documents on their part to be observed and performed; Borrower and each Tenant in Common hereby on a joint and several basis, reaffirms, confirms, and ratifies each and every covenant, condition, obligation and provision set forth in the Loan Documents; Borrower and each Tenant in Common understands and intends that Lender shall rely and is relying upon the representations and warranties of Borrower and each Tenant in Common contained herein; Borrower and each Tenant in Common hereby jointly and severally indemnify and hold Lender harmless from any and all loss that might result from and against any and all claims, liabilities and obligations of every kind, contingent or otherwise, arising from or related to the Leases or the operation of the Property, that occur prior to the date hereof;

(j) to the best of Borrower's and each Tenant in Common's knowledge, and with respect to building codes, based on the issuance of building permits and final certificates of occupancy, the Property complies with all applicable restrictive covenants, zoning ordinances, building codes, applicable health and environmental laws and regulations, and all other applicable laws, rules and regulations;

(k) Borrower and each Tenant in Common agree that (i) any and all refunds and credits that at any time accrue under the Mortgage or Loan Documents shall be the property of the Assumptor pursuant to its assumption hereunder and (ii) all Borrower's interest in any escrow accounts are assigned to the Assumptor; and

(l) to the best of Borrower's and each Tenant in Common's knowledge after due inquiry, all franchises, licenses, and permits needed to operate the Property, are free and clear of legal disqualifications or other restrictions of such a nature as would limit the full operation of the Property as presently conducted to the date of expiration of each such franchise, license or permit.

4. Lender's Certification. Lender certifies as of the date of this Agreement that:

(a) immediately after application of the Principal Reduction and the January, 1997 payment, which January payment has been received and credited, the Note has an unpaid principal balance of \$8,710,983.75, and prior to a default bears interest at the per annum rate of seven and eight hundred seventy-five thousandths percent (7.875%);

(b) the monthly payments of principal and interest are Seventy Four Thousand Eight Hundred Thirty and 02/100 Dollars (\$74,830.02), with an escrow payment for taxes in the monthly amount of \$5,505.00, the first such monthly principal, interest and tax escrow payments being due February 1, 1997;

(c) with respect to the monthly escrow payments for taxes that are being established hereunder, Lender does not warrant or certify that the escrow payments will be sufficient to pay the taxes when they become due, and Assumptor shall be fully responsible to make up any shortfall in the escrow account if the taxes prove to be more than the amount collected; and

(d) there exists no default in payments owed by Borrower to Lender and there are no outstanding notices of default under the Loan Documents.

5. Consent to Transfer; No Release of Borrower or Tenants in Common. (a) In reliance upon the agreements, representations and warranties of Assumptor, General Partner Borrower and the Tenants in Common contained in this Agreement, Lender hereby consents to Tenant in Common's transfer of the Property to Assumptor under and pursuant to the one time transfer provision contained in Section 5.01 of the Mortgage and waives any default resulting from the dissolution of the Borrower. This consent and waiver shall constitute neither a waiver of any other provision of the Mortgage or the other Loan Documents nor a waiver of the provisions of Section 3.03 of the Mortgage with respect to future transactions involving the Property. **Assumptor acknowledges that Assumptor has no right to utilize and there will be no further transfers of the Property pursuant to and under Section 5.01 of the Mortgage.**

(b) The consent to the assumption of the Loan and the execution of this Agreement shall not operate in any way to relieve or affect Borrower's and each Tenant in Common's obligations under the Original Loan Documents nor the Borrower's or each Tenant in Common's Unsecured Indemnity Agreement (which each Tenant in Common, jointly and severally hereby agree to be bound, confirm, renew and ratify as a result of the dissolution of Borrower). Borrower and each Tenant in Common, jointly and severally, shall become and remain as fully and completely bound to Lender thereby as though the assumption had never taken place. The liability of the Borrower or the Tenants in Common shall not be affected by a release of, modification to, compromise, or extension of any aspect of the Loan, that may occur from time to time, for the benefit of the Assumptor or the General Partner.

6. Payment of Transfer Fee and Principal Reduction. Prior to or contemporaneous with the transfer of the Property by Borrower to Assumptor as described herein, Borrower and Assumptor shall pay to Lender: (i) pursuant to Section 5.01(a)(2) of the Mortgage, a transfer fee in the amount of Eighty-Seven Thousand One Hundred Nine and 84/100 US Dollars (\$87,109.84), constituting one percent (1%) of the unpaid outstanding principal balance of the Loan (after the Principal Reduction); and (ii) pursuant to Section 5.01(b) of the Mortgage, the Principal Reduction.

7. Modifications to Loan Documents. The parties hereby agree that the Loan Documents shall be modified as follows:

(a) Mortgage. The Mortgage is modified:

i) by conforming Part II of Exhibit A, as referenced in Section 4.02 entitled "*Notices*", to comply with the information contained in this Agreement;

ii) to the extent necessary to incorporate all of the terms and conditions of this Agreement, including but not limited to, the replacement of Assumptor as Mortgagor with respect to obligations and agreements contained therein;

iii) by deleting Section 3.08(a) in its entirety and in replacement thereof, adding the following language:

3.08 Hazardous Substances.

(a) Mortgagor hereby represents, warrants, covenants and agrees to and with Mortgagee that all operations or activities upon, or any use or occupancy of the Property, or any portion thereof, by Mortgagor, and any tenant, subtenant or occupant of the Property, or any portion thereof, is (i) to the best of Mortgagor's knowledge and belief, presently and (ii) shall hereafter be in all respects in compliance with all state, federal and local laws and regulations governing or in any way relating to the generation, handling, manufacturing, treatment, storage, use, transportation, spillage, leakage, dumping, discharge or disposal (whether legal or illegal, accidental or intentional) of any Hazardous Substance; and that neither Mortgagor nor (to the best of Mortgagor's knowledge, after due inquiry) any tenant, subtenant or occupant of all or any portion of the Property, has at any time placed, suffered or permitted the presence of any such Hazardous Substances at, on, under, within or about the Property, or any portion thereof in violation of applicable law.

iv) by deleting Section 5.01 in its entirety.

v) by deleting Section 5.03 in its entirety and in replacement thereof, adding the following language:

5.03 TRANSFERS OF PARTNERSHIP INTEREST. Notwithstanding the provisions of Section 3.03 (a) of this Mortgage herein to the contrary, Mortgagee shall permit the transfer of partnership interests in Mortgagor, without Mortgagee's prior written consent with respect to the Property so long as (i) Colonial Properties Holding Company, Inc. remains the sole general partner of Mortgagor, (ii) Colonial Properties Trust remains the sole shareholder of Colonial Properties Holding Company, Inc., (iii) Mortgagor provides documents

evidencing such transfer to Mortgagee and (iv) Mortgagor pays all fees and expenses incurred by Mortgagee in connection with such transfer and assumption, if any, including, without limitation title insurance charges, documentary stamps and recording fees, and reasonable attorneys' fees. Notwithstanding the above, a merger, consolidation or combination of Colonial Properties Holding Company, Inc. into its parent, Colonial Properties Trust, shall not be prohibited, provided that Colonial Properties Trust becomes the sole general partner of Mortgagor;

and

vi) by Lender acknowledging that the Assumptor's title includes encumbrances that are not "Permitted Encumbrances" as defined in the Mortgage, and acknowledges that to the extent the Permitted Encumbrances as set forth on Exhibit C to the Mortgage differ from the encumbrances accepted by Assumptor in its Statutory Warranty Deed, such difference shall not result in a default of the Mortgage.

(b) Assignment of Leases. The Assignment of Leases is modified:

i) To the extent necessary to incorporate all of the terms and conditions of this Agreement, including but not limited to, the replacement of Borrower with Assumptor as Assignor with respect to obligations and agreements contained therein; and

ii) by conforming the Schedule of Leases attached to the Assignment of Leases, to comply with the information contained in the Rent Roll.

(c) Note. The Note is modified:

i) To the extent necessary to incorporate all of the terms and conditions of this Agreement.

8. Costs. Assumptor and Borrower agree to pay all fees and costs (including attorneys' fees) incurred by Lender in connection with Lender's consent to and approval of the transfer of the Property.

9. Waiver. By entering into this Agreement or any other agreement executed in connection herewith, Lender is not and shall not be construed as waiving any Event of Default or breach now or hereafter existing or occurring under the Loan Documents. Other than with respect to the provisions of Paragraph 4(d) hereof, with respect to facts or events having occurred prior to the date hereof, which with the passage of time or the giving of notice, or both, could result in an Event of Default under the Loan Documents, Lender shall not be estopped from accelerating the Loan.

10. Addresses. Borrower's address for notice hereunder and under the Loan Documents are:

If to Borrower: Riverchase Center Associates
c/o Metropolitan Contractors, Inc.
3162 Cahaba Heights Village Road
Birmingham, AL 35243
Attention: Raymond Gotlieb

With a Copy to: James J. Odom, Jr., Esq.
P. O. Box 11244
Birmingham, AL 35202-1244

Assumptor's and General Partner's addresses for notice hereunder and under the Loan Documents are:

If to Assumptor
or to General
Partner: Colonial Realty Limited Partnership
c/o Colonial Properties Holding Company, Inc.
2101 6th Avenue North, Suite 750
Birmingham, AL 35203
Attn: Thomas H. Lowder

With a Copy to: Leitman, Seigal & Payne, P.C.
600 North 20th Street
Suite 400
Birmingham, AL 35203
Attn: Phillip G. Stutts, Esq.

If to Lender: Metropolitan Life Insurance Company
One Madison Avenue
New York, New York 10010

With a Copy to: Maynard, Cooper & Gale, P.C.
1901 Sixth Avenue, North
2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203
Attention: Robert R. Sexton

11. General Provisions.

(a) This Agreement shall be construed according to and governed by the laws of the State of Alabama, without regard to Alabama conflicts of law principles.

(b) If any provision of this Agreement is adjudicated to be invalid, illegal or unenforceable, in whole or in part, such invalid, illegal or unenforceable provision will be deemed omitted and all other provisions of this Agreement shall remain in full force and effect.

(c) This Agreement contains the entire agreement between all of the parties hereto and is intended to be an integration of all prior agreements, conditions or undertakings between all the parties hereto with respect to the assumption of the Loan.

(d) No change or modification of this Agreement shall be valid unless the same is in writing and signed by all parties hereto.

(e) The captions contained in this Agreement are for convenience of reference only and in no event define, describe or limit the scope or intent of this Agreement or any of the provisions or terms thereof.

(f) This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns.

(g) Assumptor and General Partner, by their execution of this Agreement, hereby acknowledge and covenant that a default, a breach of a representation or warranty, or the failure to fulfill any covenant under this Agreement by Assumptor or General Partner, will constitute an Event of Default under the Loan Documents and Lender shall be entitled to all remedies provided and contained in the Loan Documents as if such remedies were fully set out herein.

(h) This Agreement and the other documents now or hereafter executed in connection with this Agreement are deemed to be "Loan Documents" as that term is defined herein.

(i) This Agreement may be executed, acknowledged and delivered in any number of counterparts and each such counterpart shall constitute an original, but together such counterparts shall constitute only one instrument.

(j) Borrower, each Tenant in Common, Assumptor and General Partner hereby indemnify Lender from all claims of any broker to this transaction.


(k) The consent to the assumption of the Loan and the execution of this Agreement shall not operate in any way to relieve or affect Borrower's or each Tenant in Common's obligations under the Original Loan Documents nor the Borrower's Indemnity Agreement. Borrower and each Tenant in Common shall remain as fully and completely bound to Lender thereby as though the assumption had never taken place. The liability of the Borrower and each Tenant in Common shall not be affected by a release of, modification to, compromise, or extension of any aspect of the Loan, that may occur from time to time, for the benefit of the Assumptor or the general Partner. Each Tenant in Common acknowledges and agrees that upon the dissolution of Borrower, each Tenant in Common individually became and is now fully bound, on a joint and several basis, in all respects to the Lender under the Loan Documents and the Borrower's Indemnity Agreement and hereby ratifies and affirms such liability.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date first above written.

ASSUMPTOR

COLONIAL REALTY LIMITED PARTNERSHIP,
a Delaware limited partnership

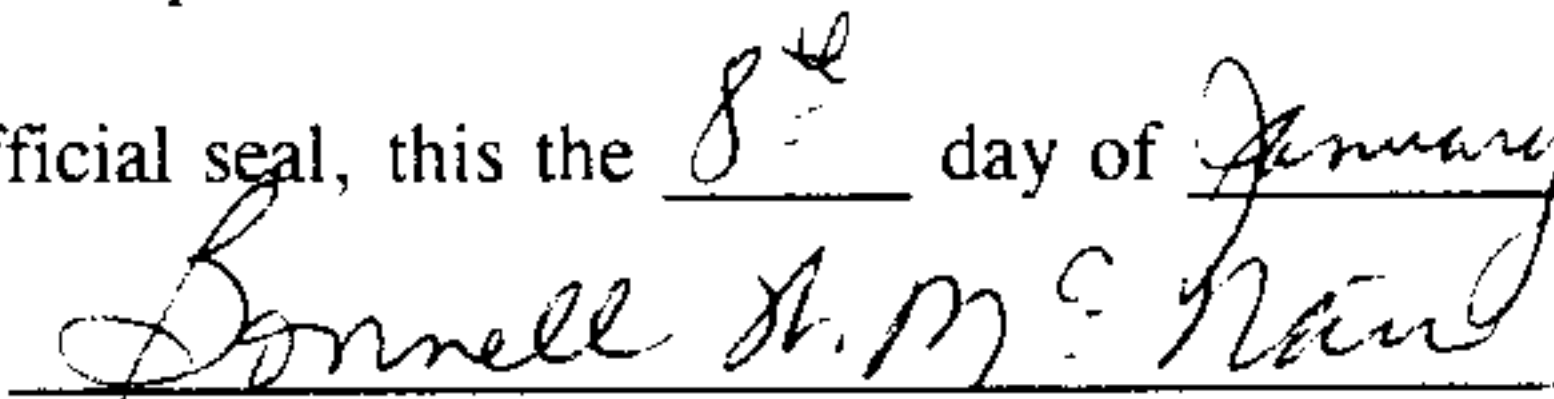
By: **COLONIAL PROPERTIES HOLDING
COMPANY, INC.,** an Alabama corporation
Its General Partner

By: 
THOMAS M. LADOW
Its: Vice President

STATE OF ALABAMA
COUNTY OF JEFFERSON

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that THOMAS M. LADOW, whose name as VICE President of **COLONIAL PROPERTIES HOLDING COMPANY, INC.,** an Alabama corporation, as general partner of **COLONIAL REALTY 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 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 as aforesaid.

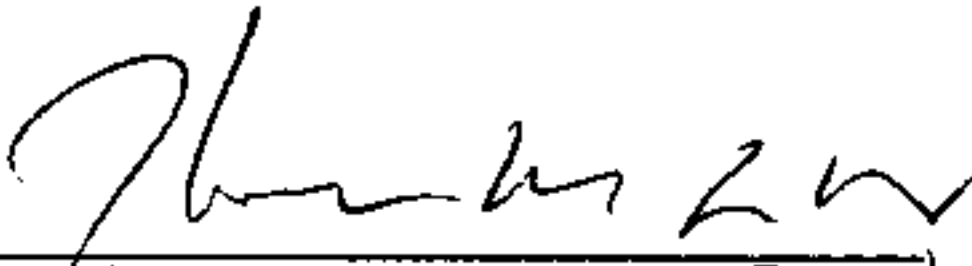
Given under my hand and official seal, this the 8th day of January, 1997.


Notary Public
[Seal]

My Commission Expires:
7/31/97

GENERAL PARTNER OF ASSUMPTOR

**COLONIAL PROPERTIES HOLDING COMPANY,
INC., an Alabama corporation**

By: 
THOMAS M. LADOW
Its: Vice President

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that THOMAS M. LADOW, whose name as VICE President of **COLONIAL PROPERTIES HOLDING COMPANY, INC.**, an Alabama 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 said 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 the 8th day of January, 1997


Notary Public

My Commission Expires:
7/31/97

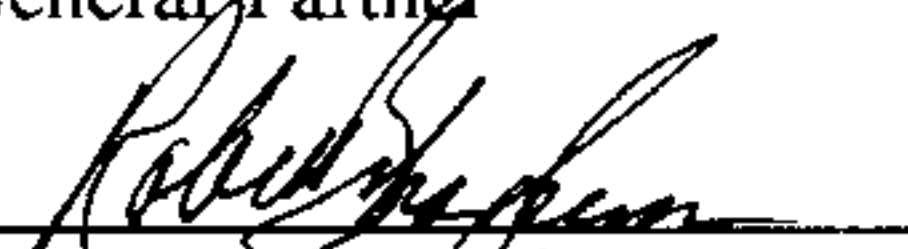
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BORROWER

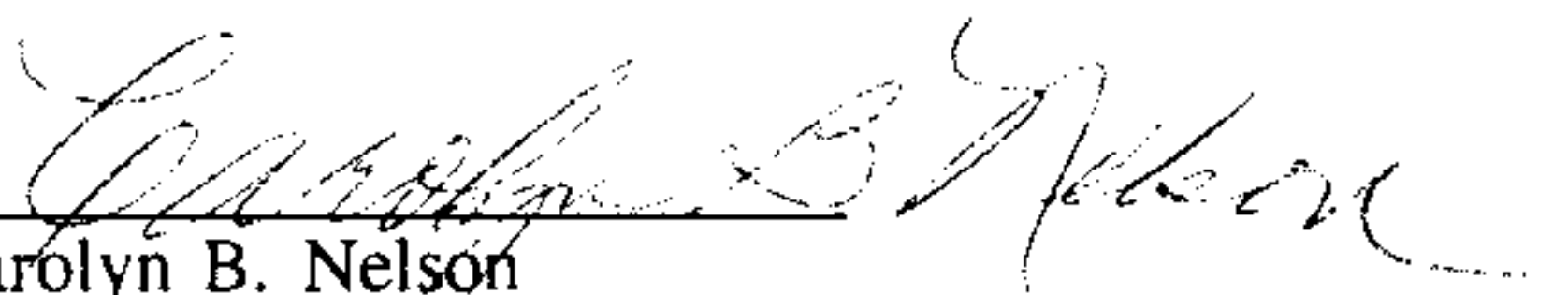
RIVERCHASE CENTER ASSOCIATES,
a dissolved Alabama general partnership


By: **G-B Partnership,**
an Alabama general partnership
General Partner

By: 
Raymond D. Gotlieb
General Partner

By: 
Robert L. Bohorfoush
General Partner

By: 
Ingram D. Tynes
General Partner

By: 
Carolyn B. Nelson
General Partner

By: 
Irby M. Cohen
General Partner

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Raymond D. Gotlieb, whose name as general partner of **G-B PARTNERSHIP**, an Alabama general partnership, as general partner of **RIVERCHASE CENTER ASSOCIATES**, a dissolved Alabama general 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 general partner and with full authority, executed the same voluntarily for and as the act of said general partnership, acting in its capacity as general partner of said general partnership as aforesaid.

Given under my hand and official seal, this the 8th day of January, 1997

Donnell M. M. Hair
Notary Public

My Commission Expires;
July 31, 1997

[Seal]

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Robert L. Bohorfoush, whose name as general partner of **G-B PARTNERSHIP**, an Alabama general partnership, as general partner of **RIVERCHASE CENTER ASSOCIATES**, a dissolved Alabama general 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 general partner and with full authority, executed the same voluntarily for and as the act of said general partnership, acting in its capacity as general partner of said general partnership as aforesaid.

Given under my hand and official seal, this the 8th day of January, 1997.

Donnell H. McRair
Notary Public

My Commission Expires:

July 31, 1997

[Seal]

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Ingram D. Tynes, whose name as general partner of **RIVERCHASE CENTER ASSOCIATES**, a dissolved Alabama general 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 general partner and with full authority, executed the same voluntarily for and as the act of said general partnership.

Given under my hand and official seal, this the 8th day of January, 1997.

Bonnell M. McRair
Notary Public

My Commission Expires:
July 31, 1997

[Seal]

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Carolyn B. Nelson, whose name as general partner of **RIVERCHASE CENTER ASSOCIATES**, a dissolved Alabama general 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, she, as such general partner and with full authority, executed the same voluntarily for and as the act of said general partnership.

Given under my hand and official seal, this the 8th day of January, 1997

Donnell H. McNeil

Notary Public

My Commission Expires:

July 31, 1997

[Seal]

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Irby M. Cohen, whose name as general partner of **RIVERCHASE CENTER ASSOCIATES**, a dissolved Alabama general 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 general partner and with full authority, executed the same voluntarily for and as the act of said general partnership.

Given under my hand and official seal, this the 8th day of January, 1997

Bonnell H. McNair
Notary Public

My Commission Expires:

July 31, 1997

[Seal]

LENDER

METROPOLITAN LIFE INSURANCE COMPANY,
a New York corporation

By: *Robert P. Edwards*

Its: VICE PRESIDENT

GND

~~STATE OF NEW YORK~~)
COUNTY OF DE KALB)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that *Robert P. Edwards*, whose name as *Vice President* of **METROPOLITAN LIFE INSURANCE COMPANY**, a New York 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 said instrument, he/she, 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 the *2nd* day of *January*, 1997.

Patricia A. Morrison
Notary Public

My Commission Expires:

3-18-97

[Seal]

TENANTS IN COMMON


G-B Partnership,
an Alabama general partnership
General Partner

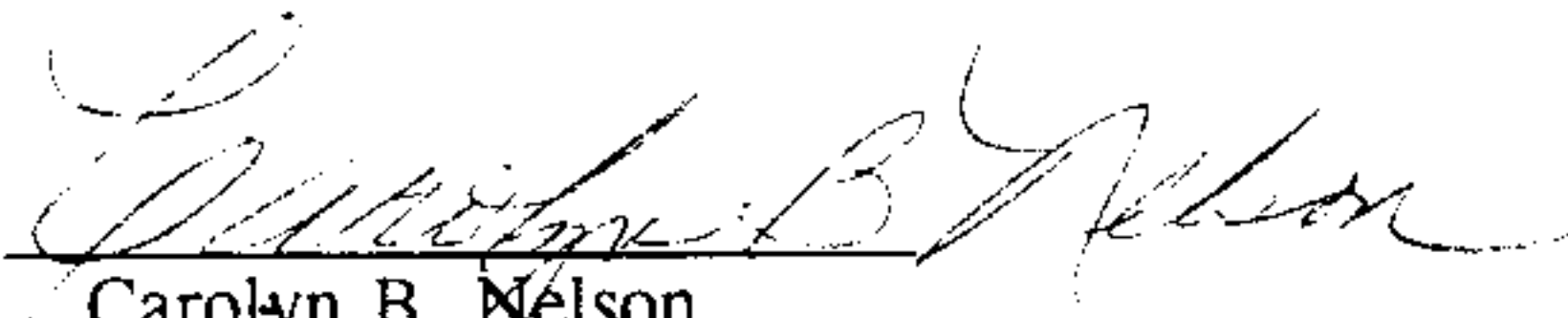
By: 


Raymond D. Gottlieb
General Partner

By: 

Robert E. Bohorhoush
General Partner


Ingram D. Tynes
Individually


Carolyn B. Nelson
Individually


Irby M. Cohen
Individually

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Robert L. Bohorfoush, whose name as general partner of **G-B Partnership**, an Alabama general 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 general partner and with full authority, executed the same voluntarily for and as the act of said general partnership.

Given under my hand and official seal, this the 8th day of January, 1997.

Bonnell H. McRair
Notary Public

My Commission Expires:

July 31, 1997

[Seal]

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Raymond D. Gotlieb, whose name as general partner of **G-B Partnership**, an Alabama general 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 general partner and with full authority, executed the same voluntarily for and as the act of said general partnership.

Given under my hand and official seal, this the 8th day of January, 1997.

Bonnie H. McRae
Notary Public

My Commission Expires:

July 31, 1997

[Seal]

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that **Ingram D. Tynes**, 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 said instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this the 8th day of January, 1997.

Bonnell H. Mc Nair
Notary Public

My Commission Expires:

July 31, 1997

[Seal]

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that **Carolyn B. Nelson**, 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 said instrument, she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this the 8th day of January, 1997.

Bonnell H. Mc Nair
Notary Public

My Commission Expires:

July 31, 1997

[Seal]

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that **Irby M. Cohen**, 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 said instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal, this the 8th day of January, 1997.

Bornell H. McHair
Notary Public

My Commission Expires:

July 31, 1997

[Seal]

EXHIBIT A

A parcel of land situated in the Northeast Quarter of the Southwest Quarter and the Northwest Quarter of the Southeast Quarter of Section 19, Township 19, Range 2 West, Shelby County, Alabama, and being more particularly described as follows:

Commence at the Southeast corner of the Southeast Quarter of the Northeast Quarter of said Section 19; thence run West and along the South boundary of said Southeast/Northeast, a distance of 2723.44 feet; thence run Southwardly and at right angles to said South boundary a distance of 84.39 feet to the point of beginning, said point of beginning lying on the South right-of-way of Parkway Office Circle; thence run Eastwardly and along said right-of-way (curving to the right and having a radius of 420.00 feet) a chord distance of 152.58 feet to the point of tangency of said curve; thence run Southeastwardly along said right-of-way a distance of 229.05 feet; thence continue Southeastwardly and along said right-of-way (curving to the left and having a radius of 930.00 feet) a chord distance of 310.16 feet to the point of tangency of said curve; thence run Eastwardly and along said right-of-way a distance of 218.73 feet; thence run Southeastwardly along said right-of-way (curving to the right and having a radius of 570.00 feet) a chord distance of 198.98 feet; thence with an interior angle left of 76 degrees 52 minutes 12 seconds run Southwestwardly a distance of 604.89 feet to the North right-of-way of Riverchase Office Road; thence run Northwestwardly and along said right-of-way (curving to the left and having a radius of 300.00 feet) chord distance of 29.99 feet to the point of tangency of said curve; thence run Westwardly and along said right-of-way a distance of 104.38 feet; thence run Northwestwardly and along said right-of-way (curving to the right and having a radius of 370.00 feet) a chord distance of 170.34 feet to the point of tangency of said curve; thence run Northwestwardly and along said right-of-way a distance of 95.64 feet; thence run Westwardly and along said right-of-way (curving to the left and having a radius of 530.00 feet) a chord distance of 471.95 feet to the point of tangency of said curve; thence run Southwestwardly and along said right-of-way a distance of 10.94 feet; thence run Northwestwardly and along said right-of-way (curving to the right and having a radius of 25.00 feet) a chord distance of 35.35 feet to the point of tangency of said curve; said point of tangency lying on the East right-of-way of Riverchase Parkway East; thence run Northwestwardly and along said East right-of-way a distance of 30.19 feet; thence run Northwestwardly and along said right-of-way (curving to the left and having a radius of 661.41 feet) a chord distance of 189.16 feet to a point being the Southwest corner of this described parcel; thence run Northeastwardly a distance of 532.82 feet to the point of beginning.

Situated in Shelby County, Alabama.

According to survey of Johnny L. Riddleberger, NLS #14284, dated November 15, 1990.

Inst # 1997-00846

01/09/1997-00846
11:59 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
027 BNA 73.50