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STATE OF ALABAMA)
COUNTY OF JEFFERSON)

MORTGAGE MODIFICATION AGREEMENT

THIS MORTGAGE MODIFICATION AGREEMENT, made this 4th day of September, 1998, by and between Peter F. Kern and wife, Sara T. Kern ("Borrowers") and HIGHLAND BANK ("Lender").

RECITALS

- A. On February 26, 1997, Borrowers executed and delivered to Lender a mortgage ("the mortgage") covering the property described in Exhibit A (said mortgage being recorded in the Office of the Judge of Probate of Shelby County, Alabama in instrument #1997-06711 and modified February 23, 1998, said modification being recorded in the Office of the Judge of Probate of Shelby County, Alabama in instrument #1998-09025 as security for a loan by Lender to Borrower in the original principal sum of \$850,000.00.
- B. Borrowers have requested and Lender has agreed to increase the amount in the manner set forth herein.

AGREEMENTS


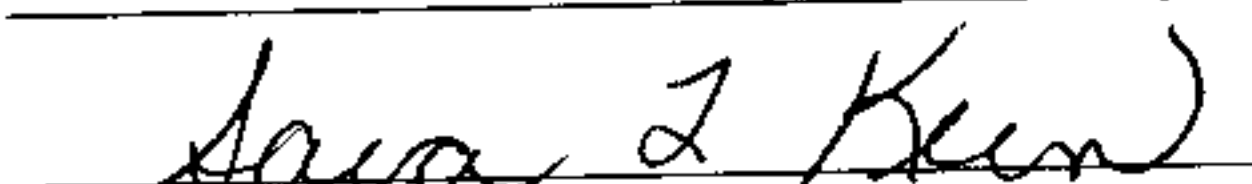
NOW, THEREFORE, in consideration of the recitals and to induce the Lender increase the amount of the Note and Mortgage, and parties agree as follows:

1. The amount of the mortgage is increased from the original principal sum of \$850,000.00, modified to \$1,100,000.00 to the principal sum of \$1,218,550.64.
2. The term "Note" or "Promissory Note" as referred in the Mortgage shall refer to such instrument being duly executed on February 26, 1997, and as the same may hereafter be amended, extended, renewed, modified or changed.
3. Except as herein amended, the Mortgage shall remain in full force and effect, and the Mortgage, as herein amended, is hereby ratified and affirmed in all respects. Borrowers confirm that they have no defenses or offsets with respect to Borrowers' obligations pursuant to the Note or the Mortgage as herein amended.

IN WITNESS HEREOF, the parties have caused this Mortgage Modification Agreement to be executed on the day and year first written above.

CAUTION: IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

BORROWER

 (SEAL)
 (SEAL)

09/21/1998-36632
08:17 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
003 CRH 191.40

LENDER:

HIGHLAND BANK

BY:

Patricia D. Stuart

ITS:

Asst. Vice PresidentSTATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County and in said State, hereby certify that **Peter F. Kern and wife Sara T. Kern**, whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they executed the same voluntarily.

Given under my hand this 4TH day of September

Shelley Shepard

Notary Public

My commission expires: My Commission Expires 7-11-2002

NOTARIAL SEAL

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County and in said State, hereby certify that Patricia D. Stuart, whose name as Assistant Vice President and Business Banking Officer of HIGHLAND BANK, is signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they executed the same voluntarily.

Given under my hand this 4TH day of September

Shelley Shepard

Notary Public

My commission expires: My Commission Expires 7-11-2002

NOTARIAL SEAL

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

PARCEL I:

Lot 10, according to the Survey of Greystone, 9th Sector, as recorded in Map Book 21 page 143 in Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

PARCEL II:

Lot 56, according to the Survey of Greystone, 5th Sector, Phase I, as recorded in Map Book 17, Page 72 A, B & C in the Probate Office of Shelby County, Alabama.

Inst # 1998-36632

03/21/1998-36632
08:17 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
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