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This instrument prepared by:

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1400 SouthTrust Tower
Birmingham, Alabama 35203

Inst # 1998-40835

LEASEHOLD MORTGAGE AND SECURITY AGREEMENT

STATE OF ALABAMA)
COUNTY OF SHELBY)

THIS LEASEHOLD MORTGAGE AND SECURITY AGREEMENT (the "Mortgage") is made and entered into this 16 day of October, 1998, by NSC 31, L.L.C., an Alabama limited liability company (the "Mortgagor") and **SOUTHTRUST BANK, NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America with principal offices in Birmingham, Alabama, whose address is Post Office Box 2554, Birmingham, Alabama 35290, Attention: Hospital Finance Group (the "Bank"). Capitalized terms used herein but not defined shall have the meaning ascribed to such terms in that certain Construction Loan Agreement between Bank and Borrower dated of even date herewith (hereinafter, together with any and all extensions, revisions, modifications or amendments heretofore, simultaneously herewith or hereafter made, referred to as the "Loan Agreement"), and "Ground Lease" shall mean that certain Ground Lease between Brookwood Center Development Corporation and Borrower, dated October 16, 1998.

WITNESSETH:

WHEREAS, Borrower is justly indebted to Bank in the principal amount of One Million Eight Hundred Twenty Thousand and No/100 Dollars (\$1,820,000.00) (the "Loan"), or such portion thereof as has been disbursed from time to time under the provisions of the Loan Agreement, as evidenced by the Note and payable to the Bank with interest thereon as provided for in the Loan Agreement; and

WHEREAS, the parties desire to secure the obligations (the "Secured Obligations"), including obligations of performance, and liabilities of the Borrower to the Bank of every kind and description whatsoever, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter incurred, contracted or arising, or acquired by the Bank from any source, joint or several, liquidated or unliquidated, regardless of how they arise or by what agreement or instrument they may be evidenced or whether they are evidenced by any agreement or instrument, and whether incurred as maker, endorser, surety, guarantor, general partner, drawer, tort-feasor, indemnitor, account party with respect to a letter of credit or otherwise, and incurred pursuant to and/or in connection with this Mortgage, the Loan Agreement, the Note, and any of the other Loan Documents, and any and all extensions and renewals of any of the same, including but not limited to the obligation:

(A) To pay the principal of and interest on the Note in accordance with the respective terms thereof and/or of the Loan Agreement, including any and all extensions, modifications, and renewals thereof and substitutions therefor;

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(B) To repay to the Bank all amounts advanced by the Bank hereunder, under any of the Loan Documents or otherwise on behalf of the Borrower, including, but without limitation, future advances and advances for principal or interest payments to prior secured parties, mortgagees, or lienors, or for taxes, levies, insurance, rent, or repairs to or maintenance or storage of, any of the Collateral; and

(C) To reimburse the Bank, on demand, for all of the Bank's expenses and costs, including the reasonable fees and expenses of its counsel, in connection with the preparation, administration, amendment, modification, or enforcement of this Mortgage and the other Loan Documents, including, without limitation, any proceeding brought or threatened to enforce payment of any of the obligations referred to in the foregoing paragraphs (A) and (B).

The indebtedness of the Borrower as provided for in (A), (B), and (C) above is herein referred to as the "Secured Indebtedness".

NOW, THEREFORE, for and in consideration of the Bank making the Loan and to secure the prompt payment and performance of the Secured Obligations, Borrower does hereby irrevocably CONVEY, WARRANT, GRANT, BARGAIN, SELL, ASSIGN, TRANSFER, PLEDGE and set over unto Bank, and the successors and assigns of Bank, all of Borrower's right, title and interest, of whatever kind, nature or description, in and to the following described land and interests in land, estates, easements, rights, improvements, personal property, fixtures, equipment, furniture, furnishings, appliances and appurtenances, including replacements and additions thereto (hereinafter referred to collectively as the "Mortgaged Property"):

(a) Those certain tracts, pieces or parcels of land, and interests in land, located in Shelby County, Alabama, more particularly described in **Exhibit A** attached hereto and by this reference made a part hereof (the "Land");

(b) All buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators and motors, plumbing and heating fixtures, carpeting and other floor coverings, water heaters, awnings and storm sashes, and cleaning apparatus which are or shall be attached to said buildings, structures or improvements, and all other furnishings, furniture, fixtures, machinery, equipment, appliances, vehicles and personal property of every kind and nature whatsoever now or hereafter owned by Borrower and located in, on or about, or used or intended to be used with or in connection with the construction, use, operation or enjoyment of the Mortgaged Property, including all extensions, additions, improvements, betterments, renewals and replacements, substitutions, or proceeds from a permitted sale of any of the foregoing, and all building materials and supplies of every kind now or hereafter placed or located on the Land (collectively the "Improvements"), all of which are hereby declared and shall be deemed to be fixtures and accessions to the Land and a part of the Mortgaged Property as between the parties hereto and all persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the indebtedness herein described and to be secured by this Mortgage;

(c) All easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, minerals, flowers, shrubs, crops, trees, timber and other emblements now or hereafter located on the Land or under or above the same or any part or parcel thereof, and all ground leases, estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances, reversions, and remainders whatsoever, in any way belonging, relating or appertaining to the Mortgaged Property or any part thereof, or which hereafter shall

in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Borrower, including, without limitation, those easements and rights granted pursuant to that certain Declaration of Easement Agreement dated as of October 16, 1998, executed by and between Brookwood Center Development Corporation, as grantor, and Borrower, as grantee, with respect to the property described therein as the "Easement Property" (as described on the attached Exhibit B); and

(d) All rents, issues, profits, proceeds and revenues from or with respect to the Mortgaged Property from time to time accruing (including without limitation all payments under the Master Lease or any other leases, ground leases or tenancies, proceeds of insurance, condemnation payments, tenant security deposits and escrow funds), and all of the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Borrower of, in and to the same, reserving only the right to Borrower to collect the same so long as Borrower is not in default hereunder or such collection is not otherwise restricted by this Mortgage; and

(e) Borrower's leasehold estate and other interest(s), if any, under the Ground Lease, of whatever kind, nature or description, and all rights, title and interest pertaining thereto;

(f) All of the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Borrower of, in and to any of the foregoing.

TO HAVE AND TO HOLD the Mortgaged Property and all parts, rights, members and appurtenances thereof, to the use and benefit of Bank and the successors, successors-in-title and assigns of Bank, forever; and Borrower covenants that Borrower is lawfully seized and possessed of the Mortgaged Property as aforesaid and has good right to convey the same, that the same are unencumbered except for those matters expressly set forth in Exhibit A hereto, if any, and Borrower does warrant and will forever defend the title thereto against the claims of all persons whomsoever, except as to those matters set forth in said Exhibit A.

BORROWER HEREBY FURTHER COVENANTS AND AGREES WITH BANK AS FOLLOWS:

ARTICLE I

1.01 Payment and Performance of Loan Documents. Borrower will perform, observe and comply with all the provisions hereof, and of each of the other Loan Documents, including, but not limited to, the due and punctual payment of the principal amounts due under the Note, together with interest thereon, and all other sums of money required to be paid by Borrower pursuant to any one or more of the Loan Documents, without any deductions, credits or set-offs whatsoever.

1.02 Taxes, Liens and Other Charges.

(a) Borrower shall pay, on or before the delinquency date thereof, all taxes, levies, license fees, permit fees and all other charges (in each case whether general or special, ordinary or extraordinary, or foreseen or unforeseen) of every character whatsoever (including all penalties and interest thereon) now or hereafter levied, assessed, confirmed or imposed on, or in respect of, or which may be a lien upon the Mortgaged Property, or any part thereof, or any estate, right or interest therein, or upon the rents, issues, income or profits thereof, and shall submit to Bank such evidence of the due and punctual payment of all such taxes, assessments and other fees and charges as Bank may require. Borrower shall

have the right before they become delinquent to contest or object to the amount or validity of any such tax, assessment, fee or charge by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying or extending Borrower's covenant to pay any such tax, assessment, fee or charge at the time and in the manner provided herein, unless Borrower has given prior written notice to Bank of Borrower's intent to so contest or object, and unless, at Bank's sole option, (i) Borrower shall demonstrate to Bank's satisfaction that the legal proceedings shall conclusively operate to prevent the sale of the Mortgaged Property, or any part thereof, to satisfy such tax, assessment, fee or charge prior to final determination of such proceedings; and (ii) Borrower shall furnish a good and sufficient bond or surety as requested by and satisfactory to Bank; and (iii) Borrower shall have provided a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of such proceedings.

(b) Borrower shall pay, on or before the due date thereof, all taxes, assessments, charges, expenses, costs and fees which may now or hereafter be levied upon, or assessed or charged against, or incurred in connection with, the Loan and/or any one or more of the Loan Documents.

(c) Borrower shall pay, on or before the due date thereof, (i) all premiums on policies of insurance covering, affecting or relating to the Mortgaged Property, as required pursuant to Section 1.03, below; (ii) all premiums on collaterally assigned life insurance policies, if any; (iii) all ground rentals, other lease rentals and other sums, if any, owing by Borrower and becoming due under any lease or rental contract affecting the Mortgaged Property; and (iv) all utility charges which are incurred by Borrower for the benefit of the Mortgaged Property, or which may become a charge or lien against the Mortgaged Property for gas, electricity, water and sewer services and the like furnished to the Mortgaged Property, and all other public or private assessments or charges of a similar nature affecting the Mortgaged Property or any portion thereof, whether or not the nonpayment of same may result in a lien thereon. Borrower shall submit to Bank such evidence of the due and punctual payment of all such premiums, rentals and other sums as Bank may require.

(d) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of mortgages or security agreements, or debts secured thereby or in the manner of collecting such taxes so as to adversely affect Bank, Borrower will pay any such tax on or before the due date thereof. If Borrower fails to make such prompt payment or if, in the opinion of Bank, any such state, federal, municipal, or other governmental law, order, rule or regulation prohibits Borrower from making such payment or would penalize Borrower if Borrower makes such payment, or if, in the opinion of Bank, the making of such payment might result in the imposition of interest beyond the maximum amount permitted by applicable law, then the entire balance of the Secured Indebtedness and all interest accrued thereon shall, at the option of Bank, become immediately due and payable.

(e) Borrower shall not suffer any mechanic's, materialmen's, laborer's, statutory or other lien to be created or remain outstanding against the Mortgaged Property; provided, however, that Borrower may contest any such lien in good faith by appropriate legal proceedings provided the lien is bonded in such manner as not to adversely affect the Mortgaged Property or this Mortgage. Bank has not consented and will not consent to the performance of any work or the furnishing of any materials which might be deemed to create a lien or liens superior to the lien hereof.

1.03 Insurance.

(a) Borrower shall procure for, deliver to and maintain for the benefit of the Bank during the term of this Mortgage, such insurance policies with such insurance companies and in such

amounts as required by the Loan Agreement. In the event the Borrower fails to maintain any insurance as required hereunder, then the Bank shall have the right to procure such insurance as provided in the Loan Agreement, whether or not the Borrower's failure to maintain such insurance constitutes an Event of Default hereunder or an event or condition which, upon the giving of notice or the passage of time, or both, would constitute an Event of Default. Any amounts paid by the Bank for insurance shall be due and payable to the Bank upon demand and shall be secured by this Mortgage. The Bank shall have such further rights with respect to any such insurance policies, including the right to make proof of loss for and to settle, adjust, compromise and collect the proceeds of any insurance claims, as provided for in the Loan Agreement, and all costs incurred by the Bank in connection therewith shall be secured by this Mortgage.

(b) Bank is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies maintained pursuant to this Section 1.03, and to collect and receive the proceeds from any such policy or policies. Each insurance company is hereby authorized and directed to make payment for all such losses directly to Bank as its interest may appear, instead of to Borrower and Bank jointly. In the event any insurance company fails to disburse directly and solely to Bank but disburses instead either solely to Borrower or to Borrower and Bank jointly, Borrower agrees immediately to endorse and transfer such proceeds to Bank to the extent of Bank's interest therein. Upon the failure of Borrower to endorse and transfer such proceeds as aforesaid, Bank may execute such endorsements or transfers for and in the name of Borrower, and Borrower hereby irrevocably appoints Bank as Borrower's agent and attorney-in-fact so to do. After deducting from said insurance proceeds all of its expenses incurred in the collection and administration of such sums, including reasonable attorney's fees, Bank shall apply the net insurance proceeds or any part thereof, at its option, (i) to the payment of the Secured Indebtedness, whether or not due and in whatever order Bank elects, (ii) to the repair and/or restoration of the Mortgaged Property, or (iii) for any other purposes or objects for which Bank is entitled to advance funds under this Mortgage, all without affecting the lien and security interest created by this Mortgage, and any balance of such monies then remaining shall be paid to Borrower or the person or entity lawfully entitled thereto. Bank shall not be held responsible for any failure to collect any insurance proceeds due under the terms of any policy regardless of the cause of such failure.

(c) Notwithstanding the provisions of Paragraph (b) to the contrary, Bank agrees that the proceeds of any insurance or any part thereof (after deducting therefrom all of its expenses incurred in the collection and administration of such sums, including reasonable attorney's fees) will be made available by Bank (consistent with disbursement procedures and subject to such terms and conditions as provided under the Loan Agreement with respect to advances to be made thereunder) to be applied by Borrower to restoration or repair of the property damaged provided the following conditions are met:

(i) there exists no Event of Default (as defined in Article II) or any event or condition which, upon the giving of notice or the passage of time, or both, would constitute an Event of Default hereunder and/or under any one or more of the other Loan Documents and/or cause any termination or right of termination under the Master Lease; and

(ii) the damaged property is capable of being restored in compliance with all applicable laws, rules and regulations and to substantially the same condition and value as prior to the damage, and Bank receives evidence satisfactory to Bank, in its discretion, that restoration can be completed on or before the earlier of (x) the due date of the Note, or (y) the date required by the Master Lease so long as the same remains in effect, or if the Master Lease shall terminate for any reason, any other tenant leases now or hereafter in existence;

(iii) the plans and specifications for restoration or repair must be approved in writing by Bank;

(iv) at all times during such restoration or repair, Borrower shall deposit with Bank funds which, when added to insurance proceeds on deposit with Bank, are sufficient to complete the restoration or repair of the damaged property, as determined by Bank, in Bank's discretion, in accordance with the approved plans and specifications and all applicable building codes and zoning ordinances and regulations, and Borrower presents sufficient evidence to Bank, in its sole and absolute discretion, that there are sufficient funds from the insurance proceeds and other available monies, to completely restore or repair the damaged property and that Bank will not incur any liability to any other person as a result of such use or release of insurance proceeds; and

(v) Borrower shall enter into such agreements and deliver such other documents and other things as may be required by Bank providing for disbursement of all such proceeds in accordance with disbursement procedures and other requirements substantially similar to those provided under the Loan Agreement.

If the foregoing conditions are satisfied within sixty (60) days of loss, then the insurance proceeds shall be held by Bank and, after deducting from said insurance proceeds all of its expenses incurred in the collection and administration of such sums, including reasonable attorney's fees, Bank shall disburse the net insurance proceeds to or on behalf of Borrower as repair or restoration progresses and to the extent such proceeds are required to defray the expenses of such restoration or repair; and to the extent any such proceeds are not required to defray the expenses of such restoration or repair, Bank may, at its option, apply any such unused proceeds to (i) the Secured Indebtedness, or (ii) for any other purposes or objects for which Bank is entitled to advance funds under this Mortgage, all without affecting the lien and security interest created by this Mortgage, and any balance of such monies then remaining shall be paid to Borrower or the person or entity lawfully entitled thereto. If the foregoing conditions are not satisfied within sixty (60) days of loss, then the insurance proceeds shall be disbursed as provided for in Subparagraph (b) of this Section 1.03.

1.04 Monthly Deposits. Upon the occurrence of an Event of Default, at the option of Bank and further to secure the payment of the taxes, assessments and other sums referred to in Section 1.02 and the premiums on the insurance referred to in Section 1.03, Borrower shall upon request of Bank deposit with Bank, on the first day of each month, such amounts as, in the estimation of Bank, shall be necessary to pay such charges as they become due; said deposits to be held and to be used by Bank to pay current taxes and assessments, insurance premiums and other charges on the Mortgaged Property as the same accrue and are payable. Payment from said sums for said purposes shall be made by Bank at its discretion and may be made even though such payments will benefit subsequent owners of the Mortgaged Property. Said deposits shall not be, nor be deemed to be, trust funds, but may be, to the extent permitted by applicable law, commingled with the general funds of Bank, and no interest shall be payable in respect thereof. If said deposits are insufficient to pay the taxes and assessments, insurance premiums and other charges in full as the same become payable, Borrower will deposit with Bank such additional sum or sums as may be required in order for Bank to pay such taxes and assessments, insurance premiums and other charges in full. Upon any default in the provisions of this Mortgage or the Note, or any instrument evidencing, securing or in any way related to the Secured Obligations, Bank may, at its option, apply any money in

the fund relating from said deposits to the payment of the Secured Indebtedness in such manner as it may elect.

1.05 Condemnation. If all or any portion of the Mortgaged Property shall be damaged or taken through condemnation (which term when used in this Mortgage shall include any damage or taking by any governmental or quasi-governmental authority and any transfer by private sale in lieu thereof), either temporarily or permanently, other than an insubstantial taking for the purpose of widening existing roads bordering the Land which does not adversely affect access or the use of the Project and is not so substantial as to permit any tenant (whether or not then in possession) to terminate its lease or reduce the term thereof or the rent payable thereunder, then the entire Secured Indebtedness shall, at the option of Bank, immediately become due and payable. Borrower, immediately upon obtaining knowledge of the institution, or the proposed, contemplated or threatened institution of any action or proceeding for the taking through condemnation of the Mortgaged Property or any part thereof will notify Bank, and Bank is hereby authorized, at its option, to commence, appear in and prosecute, through counsel selected by Bank, in its own or in Borrower's name, any action or proceeding relating to any condemnation. Borrower may compromise or settle any claim for compensation, but shall not make any compromise or settlement for an award that is less than the Secured Indebtedness without the prior written consent of Bank. All such compensation, awards, damages, claims, rights of action and proceeds and the right thereto are hereby assigned by Borrower to Bank, and Bank is authorized, at its option, to collect and receive all such compensation, awards or damages and to give proper receipts and acquittances therefor without any obligation to question the amount of any such compensation, awards or damages. After deducting from said condemnation proceeds all of its expenses incurred in the collection and administration of such sums, including reasonable attorney's fees, Bank shall apply the net proceeds as provided in Section 1.03 hereof in the case of proceeds of insurance.

1.06 Care of Mortgaged Property.

(a) Borrower will keep the buildings and walkways, landscaping, and all other Improvements of any kind now or hereafter erected on the Land or any part thereof in good condition and repair, will not commit or suffer any waste and will not do or suffer to be done anything which would or could increase the risk of fire or other hazard to the Mortgaged Property or any other part thereof or which would or could result in the cancellation of any insurance policy carried with respect to the Mortgaged Property.

(b) Borrower will not remove, demolish or alter the structural character of any Improvement located on the Land without the written consent of Bank nor make or permit use of the Mortgaged Property for any purpose other than that for which the same are now used.

(c) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, Borrower will give immediate written notice thereof to Bank.

(d) Bank or its representative is hereby authorized to enter upon and inspect the Mortgaged Property at any reasonable time.

(e) Borrower will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the Mortgaged Property or any part thereof.

(f) If any act or occurrence of any kind or nature (including any condemnation or any casualty for which insurance was not obtained or obtainable) shall result in damage to or loss or destruction

of the Mortgaged Property, Borrower shall give prompt notice thereof to Bank and Borrower shall promptly, at Borrower's sole cost and expense and regardless of whether insurance or condemnation proceeds (if any) shall be available or sufficient for the purpose (unless such insurance proceeds are otherwise applied by the Bank as provided for herein), commence and continue diligently to completion to restore, repair, replace and rebuild the Mortgaged Property as nearly as possible to its value, condition and character immediately prior to the damage, loss or destruction.

1.07 Leases, Contracts, Etc. Subject to any contrary provision contained herein or in any other Loan Document (in which case such contrary provision shall control):

(a) As additional collateral and further security for the Secured Obligations, Borrower does hereby assign to Bank Borrower's interest in and rights under any and all ground leases, leases, tenant contracts, rental agreements, franchise agreements, management contracts, contracts for the sale of the Mortgaged Property or any site within the Mortgaged Property and other contracts, licenses and permits now or hereafter affecting the Mortgaged Property, or any part thereof, and Borrower agrees to execute and deliver to Bank such additional instruments, in form and substance satisfactory to Bank, as hereafter may be requested by Bank further to evidence and confirm said assignment; provided, however, that acceptance of any such assignment shall not be construed as a consent by Bank to any lease, tenant contract, rental agreement, franchise agreement, management contract, sales contract or other contract, license or permit, or to impose upon Bank any obligation with respect thereto.

(b) Borrower shall not execute an assignment of the rents, issues or profits, or any part thereof, from the Mortgaged Property unless Bank shall first consent to such assignment, which consent may be given or denied in Bank's sole discretion, and unless such assignment shall expressly provide that it is subordinate to the assignment contained in this Mortgage and any assignment executed pursuant hereto.

(c) Borrower shall furnish to Bank, within thirty (30) days after a request by Bank to do so, a sworn statement setting forth the names of all lessees and tenants of the Mortgaged Property, the terms of their respective leases, tenant contracts or rental agreements, the space occupied, and the rentals payable thereunder, and stating whether any defaults, off-sets or defenses exist under or in connection with any of said leases, tenant contracts or rental agreements.

(d) Borrower shall submit to Bank, within ten (10) days of Bank's request therefor, copies of all leases executed and options exercised with respect to the Mortgaged Property.

(e) Each future lease, tenant contract or rental agreement pertaining to the Mortgaged Property, or any part thereof, shall provide that in the event of the enforcement by Bank of the remedies provided for by law or by this Mortgage, the lessee or tenant thereunder will, upon request of Bank or any other person or entity succeeding to the interest of Bank as a result of such enforcement, automatically become the lessee or tenant of Bank or said successor in interest, without change in the terms or other provisions of said lease, tenant contract or rental agreement. The Borrower shall cause the foregoing requirement to be satisfied by the execution by such tenants of subordination and attornment agreements satisfactory to Bank.

1.08 Ground Lease.

(a) Borrower shall promptly:

(i) perform, observe and comply with all of the obligations, covenants and agreements required to be performed, observed and complied with by the lessee under the Ground Lease and do all things necessary to preserve and to keep unimpaired its rights thereunder;

(ii) notify Bank of any default by Borrower under the Ground Lease in the performance or observance of any of the covenants or agreements on the part of Borrower to be performed or observed thereunder or of the giving of any notice by the lessor under the Ground Lease to Borrower (A) claiming such a default or (B) of such lessor's intention to exercise any remedy reserved to the lessor thereunder; and

(iii) cause a copy of each such notice given by such lessor to Borrower to be delivered to Bank.

(b) In addition to any insurance required pursuant to Section 1.03 of this Mortgage, Borrower will take out and continuously maintain in effect or cause to be taken out and thereafter continuously maintained in effect the insurance required by the Ground Lease to be maintained by the lessee under the Ground Lease. All such insurance policies shall name as an additional insured Bank as its interest shall appear. All policies evidencing the insurance so required to be carried by the Ground Lease and this Section 1.08 shall be deposited with Bank. Prior to the expiration or cancellation of any such policy, Borrower will furnish to Bank evidence satisfactory to Bank that such policy has been renewed or replaced by another policy.

The Borrower covenants, represents and warrants to Bank that so long as this Mortgage remains unsatisfied, it will comply with all the obligations required on its part to be performed under the Ground Lease. In the event that Borrower fails or refuses to perform any of its obligations under the Ground Lease, Bank may, but shall not be obligated to, perform any and all of such obligations of Borrower under the Ground Lease, including, but not limited to, the payment of any or all rent and other sums due from Borrower thereunder. Any costs or expenses incurred by Bank in performing the obligations of Borrower under the Ground Lease, including any rent or other sums paid by Bank, shall constitute part of the Secured Obligations and shall be secured hereby.

(c) If Borrower shall fail to perform, observe or comply with any of the obligations, covenants or agreements required to be performed, observed or complied with by it under the Ground Lease, including, without limitation, payment of all ground rent and other charges due thereunder, Bank, after five (5) days notice (except in emergencies or in situations where a failure sooner to perform or observe the same may result in a forfeiture under the Ground Lease), may, but shall not be obligated to, take such action as is appropriate to cause such covenants, agreements or obligations promptly to be performed, observed or complied with on behalf of Borrower, including, but not limited to, the payment of any or all rent and other sums due from Borrower thereunder, but no action so taken by Bank shall release Borrower from any of its obligations under this Mortgage. Upon receipt by Bank from the lessor under the Ground Lease of any notice of default by Borrower thereunder, Bank may rely thereon and take any action as aforesaid to cure such default even though the existence of such default or the nature thereof may be questioned or denied by Borrower or by any party on behalf of Borrower. Any costs or expenses incurred by Bank in taking any action as provided for in this paragraph, including any rent or other sums paid by Bank, shall constitute part of the Secured Obligations and shall be secured hereby.

(d) Borrower shall not surrender its leasehold estate under the Ground Lease, nor terminate or cancel the Ground Lease, and Borrower shall not modify, change, supplement, alter or amend the Ground Lease either orally or in writing, and any attempt on the part of Borrower to exercise any such right without the consent of Bank shall be null and void.

(e) The fee title to the properties demised by the Ground Lease and the leasehold estate shall not merge, but always shall remain separate and distinct, notwithstanding the union of such estates either in the lessor or the lessee under the Ground Lease or in a third party by purchase or otherwise.

(f) Borrower shall give Bank prompt notice of the commencement of any arbitration or appraisal proceeding pursuant to the Ground Lease. Bank shall have the right to intervene and participate in any such proceeding and Borrower shall confer with Bank and its attorneys and experts and cooperate with them to the extent Bank deems reasonably necessary for the protection of Bank. Upon the request of Bank, Borrower shall exercise all rights of arbitration or appraisal conferred upon it by the Ground Lease. If at the time any such proceeding shall be commenced, Borrower shall be in default in the performance or observance of any covenant or agreement contained in the Ground Lease, or in this Mortgage, on the part of Borrower to be performed or observed, beyond any applicable grace period, Bank shall have, and is hereby granted, the sole and exclusive right to designate and appoint on behalf of Borrower the arbitrator(s) or appraiser(s) in such proceeding.

(g) Borrower shall use its best efforts to obtain from the lessor under the Ground Lease and deliver to Bank, within twenty (20) days after demand by Bank, a statement in writing certifying that the Ground Lease is unmodified and in full force and effect (or if modified, stating the modifications) and the dates to which the ground rent and other charges, if any, have been paid in advance, and stating whether or not, to the best knowledge of the signer of such certificate, Borrower is in default in the performance of any covenant or agreement contained in the Ground Lease, and, if so, specifying each such default of which the signer may have knowledge.

(h) Borrower, at least six (6) months prior to the last day upon which Borrower, as lessee under the Ground Lease, may validly exercise any option to renew or extend the term of the Ground Lease, (i) duly shall exercise such option and (ii) shall give immediate notice thereof to Bank; if Borrower shall fail so to do, Bank shall have, and is hereby granted, the irrevocable right to exercise any such option, either in its own name and behalf, or in the name and behalf of Borrower, as Bank shall in its sole discretion determine.

(i) Borrower promptly shall notify Bank of any change made pursuant to the Ground Lease in ground rent payable by the lessee thereunder, and in the event that any proceeds of insurance on any part of the Mortgaged Property, or any proceeds of any award for the taking by eminent domain of any part of the Mortgaged Property, shall be deposited with any person pursuant to the requirements of the Ground Lease, Borrower promptly shall notify Bank of the name and address of such person and of the amount so deposited.

1.09 Security Agreement. With respect to the apparatus, fittings, fixtures and articles of personal property referred to or described in this Mortgage, or in any way connected with the use and enjoyment of the Mortgaged Property, this Mortgage is hereby made and declared to be a security agreement encumbering each and every item of personal property included herein as a part of the Mortgaged Property, in compliance with the provisions of the Uniform Commercial Code as enacted in the state wherein the Land is situated, and Borrower hereby grants to Bank a security interest in said personal property. A financing statement or statements reciting this Mortgage to be a security agreement

affecting all of said personal property aforementioned shall be executed by Borrower and Bank and appropriately filed. The remedies for any violation of the covenants, terms and conditions of the security agreement contained in this Mortgage, or otherwise in respect of an Event of Default hereunder, shall be (a) as prescribed herein, or (b) as prescribed by general law, or (c) as prescribed by the specific statutory consequences now or hereafter enacted and specified in said Uniform Commercial Code, all at Bank's sole election. Borrower and Bank agree that the filing of such financing statement(s) in the records normally having to do with personal property shall not in any way affect the agreement of Borrower and Bank that everything used in connection with the production of income from the Mortgaged Property or adapted for use therein or which is described or reflected in this Mortgage, is, and at all times and for all purposes and in all proceedings both legal or equitable, shall be regarded as part of the real estate conveyed hereby regardless of whether (i) any such item is physically attached to the Improvements, (ii) serial numbers are used for the better identification of certain items capable of being thus identified in an Exhibit to this Mortgage, or (iii) any such item is referred to or reflected in any such financing statement(s) so filed at any time. Similarly, the mention in any such financing statement(s) of the rights in and to (A) the proceeds of any fire and/or hazard insurance policy, or (B) any award in eminent domain proceedings for taking or for loss of value, or (C) Borrower's interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the Mortgaged Property, whether pursuant to lease or otherwise, shall not in any way alter any of the rights of Bank as determined by this instrument or affect the priority of Bank's security interest granted hereby or by any other recorded document, it being understood and agreed that such mention in such financing statement(s) is solely for the protection of Bank in the event any court shall at any time hold, with respect to the foregoing items (A), (B), or (C), that notice of Bank's priority of interest, to be effective against a particular class of persons, must be filed in the Uniform Commercial Code records. This Mortgage may be filed as a financing statement in any office where Bank deems such filing necessary or desirable and Borrower will promptly upon demand reimburse Bank for the costs therefor.

1.09 Further Assurances: After-Acquired Property.

(a) At any time, and from time to time, upon request by Bank, Borrower will make, execute, and deliver or cause to be made, executed and delivered to Bank and, where appropriate, cause to be recorded and/or filed and from time to time thereafter to be rerecorded and/or refiled at such time and in such offices and places as shall be deemed desirable by Bank, any and all such other and further mortgages, security agreements, financing statements, continuation statements, instruments of further assurance, certificates and other documents as may, in the opinion of Bank, be necessary or desirable in order to effectuate, complete or perfect or to continue and preserve (a) the obligations of Borrower under the Loan Documents, and (b) the security interest created by this Mortgage as a first and prior security interest upon, in and to all of Borrower's interest in the Mortgaged Property, whether now owned or hereafter acquired by Borrower. Upon any failure by Borrower so to do, Bank may make, execute, record, file, rerecord and/or refile any and all such mortgages, security agreements, financing statements, continuation statements, instruments, certificates, and documents for and in the name of Borrower, and Borrower hereby irrevocably appoints Bank the agent and attorney-in-fact of Borrower so to do. The security interest provided for in this Mortgage will automatically attach, without further act, to all after-acquired property of Borrower attached to and/or used in the operation of the Mortgaged Property or any part thereof.

(b) Without limiting the generality of the other provisions of this Mortgage, including Subparagraph (a) of this Section 1.10, it hereby expressly is covenanted, agreed and acknowledged that the lien and rights hereunder automatically will attach to any further, greater, additional or different estate, rights, titles or interests in or to any of the Mortgaged Property at any time hereafter acquired by the

Borrower by whatsoever means, including, but not limited to, the Ground Lease, and if prior to the satisfaction of record of this Mortgage the Borrower obtains or otherwise acquires any such fee estate, rights, titles or interests, then such further, greater, additional or different estate, rights, titles or interests in the Mortgaged Property, or a part thereof, shall automatically, and without any further action or filing or recording on the part of the Borrower or the Bank or any other person or entity, be and become subject to this Mortgage and the lien hereof. To secure the same indebtedness and obligations set forth above, Borrower hereby grants, bargains, sells and conveys to Bank, on the same terms as set forth in this Mortgage and intended to be a part hereof, all such after-acquired property and estates.

(c) It being the desire and intention of the parties hereto that this Mortgage and the lien hereof do not merge in fee simple title to the Mortgaged Property, it is hereby understood and agreed that should the Bank acquire an additional or other interests in or to the Mortgaged Property or the ownership thereof, then, unless a contrary intent is manifested by the Bank as evidenced by an express statement to that effect in an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title. To the extent this is a leasehold mortgage, the Borrower further agrees that so long as any of the indebtedness secured by this Mortgage shall remain unpaid, then, unless a contrary intent is manifested by the Bank as evidenced by an express statement to that effect in an appropriate document duly recorded, the fee title and the leasehold estate in the Mortgaged Property shall not merge but shall always be kept separate and distinct, notwithstanding the union of said estates in the lessor or in the lessee, or in a third party, by purchase or otherwise.

1.10 Indemnity: Expenses. Borrower will pay or reimburse Bank, upon demand therefor, for all reasonable attorney's fees, costs and expenses incurred by Bank in any suit, action, legal proceeding or dispute of any kind in which Bank is made a party or appears as party plaintiff or defendant, affecting the Secured Obligations, this Mortgage or the interest created herein, or the Mortgaged Property, including, but not limited to, the exercise of the power of sale contained in this Mortgage, any condemnation action involving the Mortgaged Property or any action to protect the security hereof, and any such amounts paid by Bank shall be added to the Secured Indebtedness and shall be secured by this Mortgage. Borrower will indemnify and hold Bank harmless from and against all claims, damages, and expenses including attorney's fees and court costs, resulting from any action by a third party against Bank relating to this Mortgage or the interest created herein, or the Mortgaged Property, including, but not limited to any action or proceeding claiming loss, damage or injury to person or property, or any action or proceeding claiming a violation of any national, state or local law, rule or regulation, including those relating to environmental standards or dangerous or hazardous wastes, provided Borrower shall not be required to indemnify Bank for matters directly caused by Bank's intentional or reckless misconduct or gross negligence.

1.11 Estoppel Affidavits. Either Bank or Borrower, upon ten (10) days prior written notice, shall furnish the other a written statement, duly acknowledged, based upon its records, setting forth the unpaid principal of, and interest on, the Secured Indebtedness, stating whether or not to its knowledge any off-sets or defenses exist against the Secured Indebtedness, or any portion thereof, and, if such off-sets or defenses exist, stating in detail the specific facts relating to each such off-set or defense.

1.12 Subrogation. To the full extent of the Secured Indebtedness, Bank is hereby subrogated to the liens, claims and demands, and to the rights of the owners and holders of each and every lien, claim, demand and other encumbrance on the Mortgaged Property which is paid or satisfied, in whole or in part, out of the proceeds of the Secured Indebtedness, and the respective liens, claims, demands and other encumbrances shall be, and each of them is hereby, preserved and shall pass to and be held by Bank as

additional collateral and further security for the Secured Indebtedness, to the same extent they would have been preserved and would have been passed to and held by Bank had they been duly and legally assigned, transferred, set over and delivered unto Bank by assignment, notwithstanding the fact that the same may be satisfied and cancelled of record.

1.13 Books, Records, and Accounts. Borrower shall keep and maintain or shall cause to be kept and maintained, at Borrower's cost and expense, and in accordance with standard accounting principles, proper and accurate books, records and accounts reflecting all items of income and expense in connection with any services, equipment or furnishings provided in connection with the operation of the Mortgaged Property. Bank, by Bank's agents, accountants and attorneys, shall have the right from time to time to examine such books, records and accounts at the office of Borrower or such other person or entity maintaining such books, records and accounts, to make such copies or extracts thereof as Bank shall desire, and to discuss Borrower's affairs, finances and accounts with Borrower and with the managers and members of Borrower, at such reasonable times as may be requested by Bank. In addition, Borrower will furnish (or cause to be furnished) to Bank such financial statements or such other financial information as required by the Loan Agreement.

1.14 Limit of Validity. If from any circumstances whatsoever, fulfillment of any provision of the Note, this Mortgage or any other Loan Document shall, at the time performance of such provision shall be due, cause any applicable usury or similar law to be violated when appropriate consideration is given to obligations of like character and amount and to borrowers and lenders of like character and classification, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity, so that the obligation so to be performed and the validity thereof shall be reduced to the extent necessary (but only to the extent necessary) so as to not cause a violation of such applicable usury or similar law. The provisions of this Section 1.14 shall control every other provision of the Loan Documents.

1.15 No Default Affidavits. At Bank's request, all payments made under the Note or hereunder shall be accompanied by the affidavit of a manager of Borrower, dated within five (5) days of the delivery of such payment to Bank, swearing that Borrower knows of no Event of Default (as hereinafter defined), nor of any default which, after notice or lapse of time or both, would constitute an Event of Default, which has occurred and is continuing or, if any such default or Event of Default has occurred and is continuing, specifying the nature and period of existence thereof and the action Borrower has taken or proposes to take with respect thereto and, except as otherwise specified, stating that Borrower has fulfilled all of Borrower's obligations under this Mortgage which are required to be fulfilled on or prior to the date of such affidavit.

1.16 Legal Actions. In the event that Bank is made a party, either voluntarily or involuntarily, in any action or proceeding affecting the Mortgaged Property, any one or more of the Loan Documents, the Secured Obligations or the validity or priority of this Mortgage (but excluding any action or proceeding involving a dispute solely between Bank and a participating lender, if any), Borrower shall immediately, upon demand, reimburse Bank for all costs, expenses and liabilities incurred by Bank by reason of any such action or proceeding, including reasonable attorney's fees, and any such amounts paid by Bank shall be added to the Secured Indebtedness and shall be secured by this Mortgage.

1.17 Use of Mortgaged Property. Borrower shall at all times operate or cause to be operated the Mortgaged Property as a primary care facility. Borrower shall not be permitted to alter or change the use of the Mortgaged Property without the prior written consent of Bank.

1.18 Conveyance of Mortgaged Property. Borrower shall not directly or indirectly encumber (by lien, junior mortgage, or otherwise), pledge, convey, transfer or assign any or all of its interest in the

Mortgaged Property except for Permitted Leases and Other Transfers of Collateral. Bank's consent to such a transfer, if given in Bank's sole discretion, shall not release or alter in any manner the liability of Borrower or anyone who has assumed or guaranteed the payment or performance of the Secured Obligations or any portion thereof. At the option of Bank, the Secured Indebtedness shall be immediately due and payable in the event that Borrower conveys all or any portion of the Mortgaged Property or any interest therein, or in the event that Borrower's equitable title thereto or interest therein shall be assigned, transferred or conveyed in any manner, without obtaining Bank's prior written consent thereto or except as otherwise expressly permitted herein or in the Loan Agreement, and any waiver or consent for any prior transfer shall not preclude Bank from declaring the Secured Indebtedness due and payable for any subsequent transfer.

1.19 Acquisition of Collateral. Except for encumbrances expressly set forth on Exhibit A, if any, Borrower shall not allow any of the personal property covered by this Mortgage to be subject to any security interest, conditional sales contract, title retention arrangement or other charge or lien taking precedence over the security title and lien of this Mortgage.

ARTICLE II

2.01 Events of Default. The terms "default", "Event of Default" or "Events of Default", wherever used in this Mortgage, shall mean any one or more of the following events:

(a) Failure by Borrower to pay any portion of the Secured Indebtedness, as and when the same comes due, which failure is not cured within ten (10) days of written notice thereof; provided, however, that Bank shall not be required to give such notice more than twice in any consecutive twelve (12) month period nor upon maturity of the Note; or

(b) Failure by Borrower duly to observe or perform any other term, covenant, condition or agreement of this Mortgage which failure is not cured within fifteen (15) days of written notice thereof; provided that if said failure is not capable of being cured within said fifteen (15) day period, and the Borrower commences with due diligence within said fifteen (15) day period and diligently proceeds in good faith to effect a cure of such failure, the Borrower shall be entitled to a reasonable period of time, not to exceed ninety (90) days, to complete such cure; or

(c) The occurrence of a default or Event of Default under any one or more of the Loan Documents or any other instrument or agreement now or hereafter evidencing or securing the Note or the Secured Obligations.

Provided that with respect to any of the foregoing, such Event of Default will be deemed to have occurred upon the occurrence of such event without notice being required if Bank is prevented from giving notice by bankruptcy or other applicable law.

Notwithstanding the foregoing, Borrower will not be deemed in breach of this Mortgage nor will this Mortgage be considered in default solely on account of a determination being made that the Project is in violation of any applicable certificate of need or similar law, rule or regulation.

2.02 Acceleration of Maturity. If an Event of Default shall have occurred, then the entire Secured Indebtedness shall, at the option of Bank, immediately become due and payable without notice or demand, time being of the essence of this Mortgage, and no omission on the part of Bank to exercise such option when entitled to do so shall be construed as a waiver of such right.

2.03 Right to Enter and Take Possession.

(a) If an Event of Default shall have occurred, Borrower, upon demand of Bank, shall forthwith surrender to Bank the actual possession of the Mortgaged Property and, if and to the extent permitted by law, Bank itself, or by such officers or agents as it may appoint, may enter and take possession of all or any part of the Mortgaged Property without the appointment of a receiver or an application therefor, and may exclude Borrower and its agents and employees wholly therefrom, and take possession of the books, papers and accounts of Borrower;

(b) If Borrower shall for any reason fail to surrender or deliver the Mortgaged Property or any part thereof after such demand by Bank, Bank may obtain a judgment or decree conferring upon Bank the right to immediate possession or requiring Borrower to deliver immediate possession of the Mortgaged Property to Bank. Borrower will pay to Bank, upon demand, all expenses of obtaining such judgment or decree, including reasonable compensation to Bank, its attorneys and agents, and all such expenses and compensation shall, until paid, become part of the Secured Indebtedness and shall be secured by this Mortgage;

(c) Upon every such entering upon or taking of possession, Bank may hold, store, use, operate, manage and control the Mortgaged Property and conduct the business thereof, and, from time to time (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personalty and other property; (ii) insure or keep the Mortgaged Property insured; (iii) manage and operate the Mortgaged Property and exercise all of the rights and powers of Borrower to the same extent as Borrower could in its own name or otherwise act with respect to the same; and (iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted to Bank, all as Bank from time to time may determine to be in its best interest. Bank may collect and receive all the rents, issues, profits and revenues from the Mortgaged Property, including those past due as well as those accruing thereafter, and, after deducting (A) all expenses of taking, holding, managing, and operating the Mortgaged Property (including compensation for the services of all persons employed for such purposes); (B) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions; (C) the cost of such insurance; (D) such taxes, assessments and other similar charges as Bank may at its option pay; (E) other proper charges upon the Mortgaged Property or any part thereof; and (F) the reasonable compensation, expenses and disbursements of the attorneys and agents of Bank, Bank shall apply the remainder of the monies and proceeds so received by Bank, first, to the payment of accrued interest; second, to the payment of deposits required in Section 1.04 and to other sums required to be paid hereunder; and third, to the payment of overdue installments of principal. Anything in this Section 2.03 to the contrary notwithstanding, Bank shall not be obligated to discharge or perform the duties of a landlord to any tenant or incur any liability as a result of any exercise by Bank of its rights under this Mortgage and Bank shall be liable to account only for the rents, incomes, issues and profits actually received by Bank;

(d) Whenever all such interest, deposits and principal installments and other sums due under any of the terms, covenants, conditions and agreements of this Mortgage shall have been paid and all Events of Default shall have been cured, Bank shall surrender possession of the Mortgaged Property to Borrower, its successors or assigns. The same right of taking possession, however, shall exist if any subsequent Event of Default shall occur and be continuing.

2.04 Performance by Bank. If Borrower shall default in the payment, performance or observance of any term, covenant or condition of this Mortgage, the Loan Agreement or any of the other Loan Documents, Bank may, at its option, pay, perform or observe the same, and all payments made or

costs or expenses incurred by Bank in connection therewith, with interest thereon at three percent (3%) in excess of the rate provided in the Note or at the maximum rate from time to time allowed by applicable law, whichever is less, shall be secured hereby and shall be, without demand, immediately repaid by Borrower to Bank. Bank shall be the sole judge of the necessity for any such actions and of the amounts to be paid. Bank is hereby empowered to enter and to authorize others to enter upon the Mortgaged Property or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Borrower or any person in possession holding under Borrower. Notwithstanding anything to the contrary herein, Bank shall have no obligation, explicit or implied, to pay, perform or observe any term, covenant, or condition.

2.05 Receiver. If any Event of Default shall have occurred, Bank, upon application to a court of competent jurisdiction, shall be entitled as a matter of strict right, without notice and without regard to the occupancy or value of any security for the Secured Obligations or the solvency of any party bound for its payment, to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the rents, issues, profits and revenues thereof. The receiver shall have all of the rights and powers permitted under the laws of the state wherein the Land is situated. Borrower will pay unto Bank upon demand all expenses, including receiver's fees, reasonable attorney's fees, costs and agent's compensation, incurred pursuant to the provisions of this Section 2.05, and any such amounts paid by Borrower shall be added to the Secured Indebtedness and shall be secured by this Mortgage.

2.06 Enforcement.

(a) If an Event of Default shall have occurred, then at the option of Bank this Mortgage may be foreclosed in any manner now or hereafter provided by Alabama law, and the Bank, or its agent, may sell the Mortgaged Property or any part of the Mortgaged Property at one or more public sales before the front or main door of the courthouse of the county or counties, as may be required, in which the Land or any part of the Land is situated, after having first given notice of the time, place, terms of sale and description of the Mortgaged Property the subject of the foreclosure at least once a week for three (3) successive weeks preceding the date of such sale in some newspaper published in said county or counties, as may be required. At any such sale, Bank may execute and deliver to the purchaser a conveyance of the Mortgaged Property or any part of the Mortgaged Property. Bank shall have the right to enforce any of its remedies set forth herein without notice to Borrower, except for such notice as may be required by law. In the event of any sale under this Mortgage by virtue of the exercise of the powers herein granted, or pursuant to any order in any judicial proceedings or otherwise, the Mortgaged Property may be sold as an entirety or in separate parcels and in such manner or order as Bank in its sole discretion may elect, and if Bank so elects, Bank may sell the personal property covered by this Mortgage at one or more separate sales in any manner permitted by the Uniform Commercial Code of the state in which the Land is located, and one or more exercises of the powers herein granted shall not extinguish or exhaust such powers, until the entire Mortgaged Property is sold or the Secured Indebtedness is paid in full. If the Secured Indebtedness is now or hereafter further secured by any chattel mortgages, pledges, contracts of guaranty, assignments of lease or other security instruments, Bank at its option may exhaust the remedies granted under any of said security instruments or this Mortgage either concurrently or independently, and in such order as Bank may determine.

Said sale may be adjourned by the Bank, or its agent, and reset at a later date without additional publication; provided that an announcement to that effect be made at the scheduled place of sale at the time and on the date the sale is originally set.

(b) In the event of any sale of the Mortgaged Property as authorized by this Section 2.06, all prerequisites of such sale shall be presumed to have been performed, and in any conveyance given hereunder all statements of facts, or other recitals therein made, as to the non-payment or non-performance of the Secured Obligations or as to the advertisement of sale, or the time, place and manner of sale, or as to any other fact or thing, shall be taken in all courts of law or equity as prima facie evidence that the facts so stated or recited are true.

(c) If an Event of Default shall have occurred, Bank may, in addition to and not in abrogation of the rights covered under Subparagraph (a) of this Section 2.06, either with or without entry or taking possession as herein provided or otherwise, proceed by a suit or suits in law or in equity or by any other appropriate proceeding or remedy to pursue any other remedy available to it, all as Bank in its sole discretion shall elect.

2.07 Purchase by Bank. Upon any foreclosure sale or sale of all or any portion of the Mortgaged Property under the power herein granted, Bank may bid for and purchase the Mortgaged Property if the highest bidder therefor.

2.08 Application of Proceeds of Sale. In the event of a foreclosure or other sale of all or any portion of the Mortgaged Property, the proceeds of said sale shall be applied: (a) first, to the expenses of such sale and of all proceedings in connection therewith, including reasonable attorneys' fees as may be necessary in the collection of the indebtedness secured by this Mortgage and/or the foreclosure of this Mortgage; (b) then to the repayment of money, including interest thereon, which Bank may have paid, or become liable to pay, or which it may be necessary to pay for, including insurance premiums, liens, assessment, taxes and charges including utility charges advanced by Bank, and interest thereon; (c) then to payment of the Secured Indebtedness and accrued interest thereon, in such order of priority as Bank shall determine, in its sole discretion; and (d) finally the remainder, if any, shall be paid to the person or entity appearing to be the record owner of the Mortgaged Property at the time of sale, after deducting any expenses incurred in ascertaining who is such owner, or as may otherwise be provided by law.

2.09 Borrower as Tenant Holding Over. In the event of any such foreclosure sale or sale under the powers herein granted, Borrower (if Borrower shall remain in possession) shall be deemed a tenant holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable to tenants holding over.

2.10 Waiver of Appraisement, Valuation, Etc. Borrower agrees, to the full extent permitted by law, that in case of a default on the part of Borrower hereunder, neither Borrower nor anyone claiming through or under Borrower will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension, homestead, exemption or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, or the absolute sale of the Mortgaged Property, or the delivery of possession thereof immediately after such sale to the purchaser at such sale, and Borrower, for itself and all who may at any time claim through or under it, hereby waives to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets subject to the security interest of this Mortgage marshaled upon any foreclosure or sale under the power herein granted.

2.11 Waiver of Homestead. Borrower hereby waives and renounces all homestead and exemption rights provided for by the Constitution and the laws of the United States and of any state, in and to the Mortgaged Property as against the collection of the Secured Indebtedness, or any part thereof.

2.12 Leases. Bank, at its option, is authorized to foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property, if any, and the failure to make any such tenants parties to any such foreclosure proceedings and to foreclose their rights will not be, nor be asserted to be by Borrower, a defense to any proceeding instituted by Bank to collect the sums secured hereby.

2.13 Discontinuance of Proceedings. In case Bank shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Bank, then in every such case, Borrower and Bank shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Bank shall continue as if no such proceedings had occurred.

2.14 Remedies Cumulative. No right, power or remedy conferred upon or reserved to Bank by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law, in equity or by statute.

2.15 Waiver.

(a) No delay or omission by Bank to exercise any right, power or remedy accruing upon any default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such default, or acquiescence therein, and every right, power and remedy given by this Mortgage to Bank may be exercised from time to time and as often as may be deemed expedient by Bank. No consent or waiver expressed or implied by Bank to or of any breach or default by Borrower in the performance of the obligations of Borrower hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of the same or any other obligations of Borrower hereunder. Failure on the part of Bank to complain of any act or failure to act or failure to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by Bank of its rights hereunder or impair any rights, powers or remedies of Bank hereunder.

(b) No act or omission by Bank shall release, discharge, modify, change or otherwise affect the original liability of Borrower under any one or more of the Loan Documents or any other obligation of Borrower or any subsequent purchaser of the Mortgaged Property or any part thereof or any maker, co-signer, endorser, surety or guarantor, nor preclude Bank from exercising any right, power or privilege herein granted or intended to be granted in the event of any default then existing or of any subsequent default, nor alter the lien of this Mortgage, except as expressly provided in an instrument or instruments executed by Bank. Without limiting the generality of the foregoing, Bank may (i) grant forbearance or an extension of time for the payment of all or any portion of the Secured Indebtedness; (ii) take other or additional security for the payment of any of the Secured Indebtedness; (iii) waive or fail to exercise any right granted herein or in any one or more of the other Loan Documents; (iv) release any part of the Mortgaged Property from the security interest or lien of this Mortgage or otherwise change any of the terms, covenants, conditions or agreements of any one or more of the Loan Documents; (v) consent to the filing of any map, plat or replat affecting the Mortgaged Property; (vi) consent to the granting of any easement or other right affecting the Mortgaged Property; (vii) make or consent to any agreement subordinating the security title or lien hereof, or (viii) take or omit to take any action whatsoever with respect to any one or more of the Loan Documents, the Mortgaged Property or any document or instrument evidencing, securing or in any way related to the Secured Obligations, all without releasing, discharging, modifying, changing or affecting any such liability, or precluding Bank from exercising any such right, power or privilege or affecting the lien of this Mortgage. In the event of the sale or transfer by operation of law or otherwise of all or any part of the Mortgaged Property, Bank, without notice, is hereby

authorized and empowered to deal with any such vendee or transferee with reference to the Mortgaged Property or the Secured Indebtedness, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities, obligations or undertakings.

2.16 Suits to Protect the Mortgaged Property. Bank shall have power to institute and maintain such suits and proceedings as it may deem expedient (a) to prevent any impairment of the Mortgaged Property by any acts which may be unlawful or constitute a default under this Mortgage; (b) to preserve or protect its interest in the Mortgaged Property and in the rents, issues, profits and revenues arising therefrom; and (c) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would materially impair the security hereunder or be prejudicial to the interest of Bank.

2.17 Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Borrower, its creditors or its property, Bank, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Bank allowed in such proceedings for the entire amount due and payable by Borrower under this Mortgage at the date of the institution of such proceedings and for any additional amount which may become due and payable by Borrower hereunder after such date.

ARTICLE III

3.01 Successors and Assigns. This Mortgage shall inure to the benefit of and be binding upon Borrower and Bank and their respective heirs, executors, legal representatives, successors, successors-in-title, and assigns. Whenever a reference is made in this Mortgage to "Borrower" or "Bank", such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors, successors-in-title and assigns of Borrower or Bank, as the case may be, but shall not imply any permission to make or permit any transfer which is otherwise prohibited.

3.02 Terminology. All personal pronouns used in this Mortgage, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles and Articles are for convenience only and neither limit nor amplify the provisions of this Mortgage, and all references herein to Articles, Sections or Subparagraphs shall refer to the corresponding Articles, Sections or Subparagraphs of this Mortgage unless specific reference is made to Articles, Sections or Subparagraphs of another document or instrument.

3.03 Severability; Complete Agreement. If any provisions of this Mortgage or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Mortgage and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. This Mortgage, the Note and the instruments executed in connection herewith constitute the full and complete agreement of the parties and supersede all prior negotiations, correspondence, and memoranda relating to the subject matter hereof, and this Mortgage may not be amended except by a writing signed by the parties hereto.

3.04 Applicable Law. This Mortgage shall be interpreted, construed and enforced according to the laws of the State of Alabama.

3.05 Notices. All notices required hereunder or by reason of the application of any Law shall be given and deemed delivered as provided in the Loan Agreement. In addition, Bank hereby acknowledges and agrees to comply with the notice requirements and each of the other provisions set forth in Section 6 of the Ground Lease, the provisions of which are incorporated herein by reference; provided, however, that notices required by applicable law in connection with any sale of the Mortgaged Property pursuant to a power of sale granted herein shall be given in the manner prescribed by applicable law. In the event of the acceleration of the Secured Indebtedness, Bank hereby grants to Brookwood Center Development Corporation or its designee the unconditional right to prepay the Secured Indebtedness in full (provided that the prepayment premium otherwise due by the Borrower, if any, shall not exceed one percent (1.0%) of the Secured Indebtedness so accelerated).

3.06 Replacement of Note. Upon receipt of evidence reasonably satisfactory to Borrower of the loss, theft, destruction or mutilation of the Note, and in the case of any such loss, theft or destruction, upon delivery of an indemnity agreement reasonably satisfactory to Borrower or, in the case of any such mutilation, upon surrender and cancellation of the Note, Borrower at Bank's expense will execute and deliver, in lieu thereof, a replacement note, identical in form and substance to any such Note and dated as of the date of any such Note, and upon such execution and delivery all references in this Mortgage to such Note shall be deemed to refer to such replacement note.

3.07 Assignment. This Mortgage is assignable by Bank and any assignment hereof by Bank shall operate to vest in the assignee all rights and powers herein conferred upon and granted to Bank.

3.08 Time of the Essence. Time is of the essence with respect to each and every covenant, agreement and obligation of Borrower under this Mortgage, each of the other Loan Documents, and any and all other instruments now or hereafter evidencing, securing or otherwise relating to the Secured Obligations.

3.09 Release. Provided that no Event of Default then exists, Bank agrees to release this Mortgage upon payment in full by Borrower of all of the Secured Indebtedness.

3.10 Future Advances. Upon request of Borrower, Bank, at Bank's option so long as this Mortgage secures indebtedness held by Bank, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured hereby if made under the terms of this Mortgage, the Note or the Loan Agreement, or if made pursuant to any other promissory note, instrument or agreement stating that sums advanced thereunder are secured hereby.

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IN WITNESS WHEREOF, this instrument has been duly executed as of the day and year first above written.

BORROWER:

NSC 31, L.L.C.
an Alabama limited liability company


By: JOHNSON INVESTMENT COMPANY, LTD.
an Alabama limited partnership,
its Managing Member

By: JOHNSON DEVELOPMENT, INC.
an Alabama corporation,
its General Partner

By: 
James M. Johnson, President

BANK:

SOUTHTRUST BANK, NATIONAL ASSOCIATION

By: 
James A. Barnes
Its: Vice President

STATE OF ALABAMA)
COUNTY OF Jefferson)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that James M. Johnson, whose name as President of Johnson Development, Inc., an Alabama corporation, as General Partner of Johnson Investment Company, Ltd., an Alabama limited partnership, as Managing Member of NSC 31, L.L.C., an Alabama limited liability company, 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, acting in its capacity as Member of said limited liability company as aforesaid.

Given under my hand and official seal, this the 16th day of October, 1998.

Elizabeth A. Conner (SEAL)
Notary Public
My Commission Expires: 1/10/2001

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that James A. Barnes, whose name as _____ of SouthTrust Bank, National Association, a national 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, as such officer and with full authority, executed the same voluntarily for and as the act of said banking association.

Given under my hand and official seal, this the 16th day of October, 1998.

Elizabeth A. Conner (SEAL)
Notary Public
My Commission Expires: 1/10/2001

EXHIBIT A
LEGAL DESCRIPTION AND TITLE EXCEPTIONS

A part of the SW 1/4 of Section 13, Township 20 South, Range 3 West, Shelby County, Alabama, more particularly described as follows:

From the SW corner of said SW 1/4 of the SW 1/4; thence South 89 deg. 53 min. 33 sec. East along the Section line, 969.65 feet to a point on the Easterly right of way line of U.S. Highway No. 31; thence North 12 deg. 00 min. 06 sec. West along said right of way line, 428.12 feet; thence leaving said right of way run North 89 deg. 58 min. 10 sec. East, 62.48 feet; thence North 00 deg. 01 min. 50 sec. West, 9.86 feet to the point of beginning; thence North 89 deg. 58 min. 10 sec. East, 190.50 feet; thence North 00 deg. 01 min. 50 sec. West, 95.50 feet; thence South 89 deg. 58 min. 10 sec. West, 116.04 feet; thence North 37 deg. 16 min. 22 sec. West, 17.85 feet; thence South 67 deg. 52 min. 18 sec. West, 89.88 feet; thence South 49 deg. 25 min. 47 sec. East, 25.85 feet; thence South 00 deg. 01 min. 50 sec. East, 59.07 feet to the point of beginning; being situated in Shelby County, Alabama.

SUBJECT TO:

1. General and special taxes and assessments for 1999 and subsequent years not yet due and payable.
2. Transmission Line Permit(s) to Alabama Power Company as shown by instrument(s) recorded in Deed Book 242 page 952 and Deed Book 248 page 842 in Probate Office.
3. Easements(s) to Plantation Pipeline Co. as shown by instrument recorded in Deed Book 112 page 217 and Deed Book 254 page 323 in Probate Office (Parcel B).
4. The following items shown on the Survey of Frank S. Hollis dated October 8, 1998:
 - (a) Sanitary Sewer Line and Manholes
 - (b) Utility line and pole
 - (c) Grate inlet storm drain
 - (d) Plantation Pipeline Company - pipelines
5. The non-beneficial terms, provisions, covenants, duties, conditions and agreements set out in the Declaration of Easement Agreement dated October 16, 1998 by and between Brookwood Center Development Corporation and NSC 31, L.L.C. recorded as Instrument No. 1998-40833 in the Probate Office (Parcel B).

EXHIBIT B

EASEMENT PROPERTY

The non-exclusive easements granted to NSC 31, L.L.C. by the Declaration of Easement Agreement dated October 16, 1998 by and between Brookwood Center Development Corporation and NSC 31, L.L.C., recorded as Instrument No. 1998-40833 in the Probate Office, over and across the following described property:

A part of the SW 1/4 of Section 13, Township 20 South, Range 3 West, Shelby County, Alabama, more particularly described as follows: From the SW corner of said SW 1/4 of the SW 1/4; thence South 89 deg. 53 min. 33 sec. East along the Section line, 969.65 feet to a point on the Easterly right of way line of U.S. Highway No. 31; thence North 12 deg. 00 min. 06 sec. West along said right of way line, 428.12 feet to the point of beginning; thence North 89 deg. 58 min. 10 sec. East, 308.75 feet; thence North 01 deg. 39 min. 20 sec. East, 127.59 feet; thence North 25 deg. 57 min. 47 sec. West, 220.98 feet to a point on the Southerly right of way of Yeager Parkway; thence Southwesterly along said right of way line on the arc of a curve concave Northwesterly, having a radius of 396.93 feet, an arc distance of 101.89 feet; thence leaving said right of way line, run South 12 deg. 13 min. 36 sec. East, 66.22 feet; thence South 77 deg. 48 min. 48 sec. West, 180.06 feet to a point on the Easterly right of way line of U.S. Highway 31; thence South 12 deg. 06 min. 33 sec. East, along said right of way line, 186.47 feet to the point of beginning.

LESS AND EXCEPT THE FOLLOWING PARCEL:

A part of the SW 1/4 of Section 13, Township 20 South, Range 3 West, Shelby County, Alabama, more particularly described as follows:

From the SW corner of said SW 1/4 of the SW 1/4; thence South 89 deg. 53 min. 33 sec. East along the Section line, 969.65 feet to a point on the Easterly right of way line of U.S. Highway No. 31; thence North 12 deg. 00 min. 06 sec. West along said right of way line, 428.12 feet; thence leaving said right of way run North 89 deg. 58 min. 10 sec. East, 62.48 feet; thence North 00 deg. 01 min. 50 sec. West, 9.86 feet to the point of beginning; thence North 89 deg. 58 min. 10 sec. East, 190.50 feet; thence North 00 deg. 01 min. 50 sec. West, 95.50 feet; thence South 89 deg. 58 min. 10 sec. West, 116.04 feet; thence North 37 deg. 16 min. 22 sec. West, 17.85 feet; thence South 67 deg. 52 min. 18 sec. West, 89.88 feet; thence South 49 deg. 25 min. 47 sec. East, 25.85 feet; thence South 00 deg. 01 min. 50 sec. East, 59.07 feet to the point of beginning; being situated in Shelby County, Alabama.

Inst # 1998-40835

448608 MORROR 4887 27

10/20/1998-40835
10:59 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
024 NEL 2797.00