

STATE OF ALABAMA)
SHELBY COUNTY)

CROSS REFERENCE TO:

Instrument #1996-30696
Shelby County Records

FIRST AMENDMENT TO ASSIGNMENT OF LEASES AND RENTS

THIS FIRST AMENDMENT TO ASSIGNMENT OF LEASES AND RENTS (this "Modification") made and entered into this 26 day of February, 1999, by and between DOUBLE LAKE VENTURES, LLC, a Georgia limited liability company (hereinafter referred to as "Borrower"), and AMSOUTH BANK (formerly AmSouth Bank of Alabama), an Alabama banking corporation (hereinafter referred to as "the Bank"), the Bank maintaining an office at 1900 Fifth Avenue North, Birmingham, Alabama 35203;

W I T N E S S E T H

Alabama Housing Finance Authority, a public corporation organized under the laws of the State of Alabama (the "Authority"), has heretofore issued its Multi-Family Refunding Revenue Bonds (Turtle Lake Project) 1996 Series F (the "Bonds") in the aggregate principal amount of \$6,000,000 to provide financing for the purchase and improvement of Turtle Lake (the "Project") by Balboa Investment Group II, a California general partnership (the "Original Borrower"). The Bonds were issued pursuant to a Trust Indenture dated September 1, 1996 (the "Indenture") between the Authority and The Bank of New York Trust Company of Florida, N.A. (successor to AmSouth Bank of Alabama), as trustee (the "Trustee").

At the request of the Company, the Bank issued its irrevocable letter of credit dated September 17, 1996 (such Letter of Credit, as it may be amended, extended or re-issued is referred to herein as the "Letter of Credit") as security for the Bonds. The Letter of Credit was issued pursuant to a Credit Agreement dated September 1, 1996 (the "Credit Agreement") between the Bank and the Original Borrower. Pursuant to the Credit Agreement, the Original Borrower agreed, among other things, to reimburse the Bank for all amounts drawn by the Trustee pursuant to the Letter of Credit.

The obligations of the Original Borrower under the Credit Agreement (and all extensions, renewals or additional advances thereunder) are secured by *inter alia* that certain Absolute Assignment of Rents and Leases from the Original Borrower to the Bank dated September 1, 1996, and recorded as Instrument #1996-30696 of the Shelby County, Alabama records (the "Assignment"), which Assignment covers certain property as described therein (the "Premises").

On February 26, 1999, the Original Borrower transferred the Premises to the Borrower. In connection with the purchase of the Project by the Borrower, the Bank and the

Borrower have entered into that certain Assignment, Assumption and First Amendment to Reimbursement Agreement dated February 26, 1999 (the "Assignment and Assumption Amendment") pursuant to which the parties have entered into certain agreements regarding the obligations under the Credit Agreement and other matters, including an agreement that the Borrower would execute this agreement pursuant to which the Borrower ratifies and confirms the Assignment.

NOW, THEREFORE, for and in consideration of the agreements contained herein, Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrower and the Bank hereby agree as follows:

1. **Definitions.** Capitalized terms not otherwise defined herein shall have the meanings set forth in the Assignment.
2. **Assumption of Obligations.** The Borrower acknowledges and agrees that it has purchased the Premises subject to the Assignment and has assumed certain obligations of the Original Borrower, as provided for in the Assignment and Assumption Amendment, including, without limitation, the obligations of the Original Borrower under the Assignment, the assumption of which obligations is hereby ratified and confirmed by the Borrower.
3. **Representations and Warranties.** The Borrower hereby confirms that the representations and warranties contained in the Assignment are true and correct as of the date hereof, except to the extent that such representations and warranties relate solely to a prior date.
4. **No Novation.** It is the intention of the parties hereto that this Modification shall not constitute a novation and shall in no way adversely affect or impair the lien priority of the Assignment, it being the intention of the parties merely to provide for the assumption of the Original Borrower's obligations by the Borrower.
5. **Continued Validity.** Except as modified or amended hereby, the Assignment has not been modified or amended, is in full force and effect in accordance with its terms and is hereby ratified and confirmed by the parties hereto.
6. **Successors and Assigns.** This Modification is binding on the parties hereto and their successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Modification to be executed under seal as of the day, month and year first above written.

DOUBLE LAKE VENTURES, LLC, a Georgia limited liability company

By: **GGL Ventures, LLC**

Its: **Manager**

By: Rotterdam Ventures, Inc.

By [Signature]

Its J.R.V.P.

[Corporate Seal]

STATE OF GEORGIA)
COUNTY OF FULTON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that DENNIS M. TRIMARCHI, whose name as Manager of GGL Ventures, LLC, a Georgia limited liability company, as Manager of Double Lake Ventures, LLC, a Georgia 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/she, as such manager 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 25 day of February 1999.

[Signature]
Notary Public

AFFIX SEAL Notary Public, Fulton County, Georgia
My Commission Expires Oct. 01, 2002

My commission expires: _____

AMSOUTH BANK, an Alabama banking corporation

By [Signature]
Its Vice President

STATE OF ALABAMA)
COUNTY OF SHELBY)
Jefferson

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Terry W. Howard, whose name as Vice President of AmSouth Bank, an Alabama banking 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 24th day of February 1999.

[Signature]
Notary Public

AFFIX SEAL

My commission expires: March 24, 2002

This instrument prepared by
and when recorded return to:

Hardwick C. Walthall
MAYNARD, COOPER & GALE, P.C.
1901 Sixth Avenue North
2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203-2618
(205) 254-1000

Inst # 1999-09084

03/04/1999-09084
01:41 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 MMS 16.00