

**FIRST AMENDMENT TO LEASEHOLD MORTGAGE,  
SECURITY AGREEMENT, ASSIGNMENT OF SUBLEASES AND RENTS  
AND FINANCING STATEMENT**

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**DELCHAMPS, INC.**  
305 Delchamps Drive  
Delchamps, Alabama 36602

(Mortgagor)

to

**FLEET CAPITAL CORPORATION**  
as Agent  
60 East 42nd Street  
New York, New York 10017

(Mortgagee)

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**DATED: As of March 4, 1999**

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Premises Located at:

Shelby County  
State of Alabama

Prepared By and Record and Return to:  
Kaye, Scholer, Fierman, Hays & Handler, LLP  
425 Park Avenue  
New York, New York 10022  
Attn: Michael Sapienza, Esq.  
Phone Number: 212-836-8000

**THIS AMENDMENT DOES NOT INCREASE THE AGGREGATE PRINCIPAL  
AMOUNT SECURED BY THE EXISTING MORTGAGE MODIFIED HEREBY.  
RECOVERY ON THE EXISTING MORTGAGE REMAINS LIMITED TO  
\$150,000,000.00.**

Inst # 1999-36723

09/01/1999-36723  
11:09 AM CERTIFIED  
SHELBY COUNTY JUDGE OF PROBATE  
006 MMS 22.00

**FIRST AMENDMENT TO LEASEHOLD MORTGAGE,  
SECURITY AGREEMENT, ASSIGNMENT OF SUBLEASES AND RENTS  
AND FINANCING STATEMENT**

THIS FIRST AMENDMENT TO LEASEHOLD MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF SUBLEASES AND RENTS AND FINANCING STATEMENT (this "**Amendment**") made as of this 4th day of March, 1999 between Delchamps, Inc., an Alabama corporation having an office at 305 Delchamps Drive, Delchamps, Alabama 36602 ("**Mortgagor**"), and Fleet Capital Corporation, as Agent for the Lenders (as such term and all other capitalized terms used but not defined herein are defined in the Credit Agreement referred to below) party to the Credit Agreement referred to below, having an office at 60 East 42nd Street, New York, New York 10017 ("**Mortgagee**").

**WITNESSETH:**

**WHEREAS:**

- A. Mortgagor is the Mortgagor under that certain Leasehold Mortgage, Security Agreement, Assignment of Subleases and Rents and Financing Statement dated as of June 8, 1999 made by Mortgagor for the benefit of Mortgagee, and recorded on June 18, 1999 in the Shelby County Register's Office as Instrument No. 1999-25721 (the "**Existing Mortgage**").
- B. The Existing Mortgage encumbers Mortgagor's leasehold interest in certain real property located in Shelby County, Alabama, which premises are more particularly described on Exhibit A attached hereto (the "**Premises**").
- C. On this date, Mortgagor continues to be the owner of the leasehold interest in the Premises.
- D. Mortgagor, Mortgagee and the other Lenders have heretofore entered into that certain Amended and Restated Revolving Credit Agreement (as heretofore amended and modified, and as the same may from time to time be further amended, replaced, extended, supplemented, substituted, restated or modified, the "**Existing Credit Agreement**") dated as of September 15, 1997 among the Borrowers party thereto (including Mortgagor), the Guarantors party thereto, Mortgagee, certain other Lenders named therein, DLJ Capital Funding, Inc. as documentation agent and Mortgagee, pursuant to which Mortgagee and the Lenders have agreed to extend certain financial accommodations to Mortgagor, which credit agreement is the "Credit Agreement referred to in the Existing Mortgage. All capitalized terms used but not defined herein shall have the meanings given them in the Existing Credit Agreement.
- E. Concurrently with the execution and delivery of this Amendment, Mortgagor, Mortgagee and the Lenders are amending the Existing Credit Agreement pursuant to that certain Amendment No. 4 to Amended and Restated Credit Agreement dated as of the date

hereof (the "No. 4 Amendment"), pursuant to which Mortgagee and the Lenders have agreed to certain modifications of the Existing Credit Agreement.

F. Mortgagor and Mortgagee wish to modify certain provisions of the Existing Mortgage as set forth herein.

**NOW, THEREFORE**, in consideration of the premises and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendments.

a. The second, third and fourth "Whereas" clauses of the Existing Mortgage are hereby amended by deleting "ONE HUNDRED FIFTY MILLION DOLLARS (\$150,000,000)" appearing in said clauses and inserting "ONE HUNDRED AND SIXTY-TWO MILLION THREE HUNDRED THOUSAND DOLLARS (\$162,300,000)" therefor.

b. The term "Credit Agreement" in the Existing Mortgage shall mean the Existing Credit Agreement, as amended by the No. 4 Amendment.

2. No Other Amendments. Except as modified hereby, the Existing Mortgage shall remain unmodified and in full force and effect, and from and after the date of this Amendment, all references in the Existing Mortgage to "this Agreement", "hereof", "herein" and similar terms shall mean and refer to the Existing Mortgage, as amended hereby.

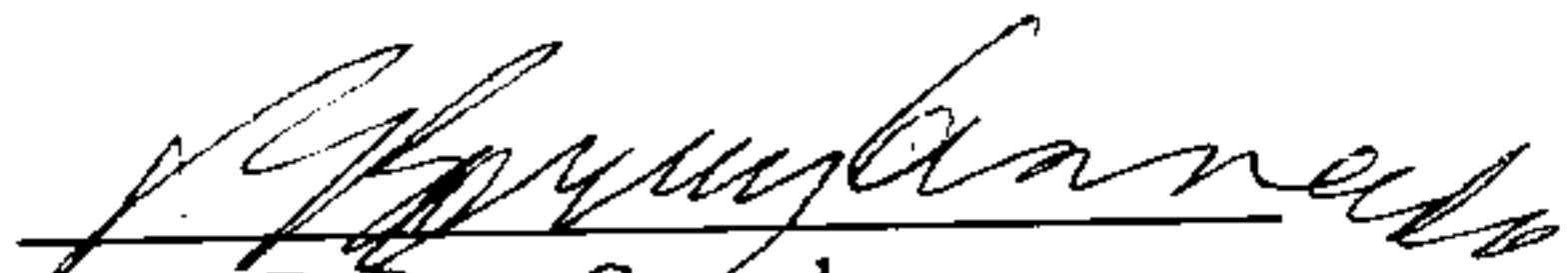
3. Maximum Amount Secured. The aggregate maximum principal amount of all indebtedness, including future and revolving loan advances, secured by the Existing Mortgage, as amended hereby, shall remain \$150,000,000.

4. No Novation. The parties hereto acknowledge and agree that this Amendment shall not affect the validity of the security interest granted under the Existing Mortgage, which security interest shall, at all times, continue to be attached, perfected and enforceable pursuant to the terms of the Existing Mortgage as amended herein. The parties hereto further acknowledge and agree that the execution, delivery or effectiveness of this Amendment shall not extinguish the obligations of the Mortgagor under the Existing Mortgage or discharge or release the lien or priority of any security therefor. Nothing herein contained shall be construed as a substitution or novation of the obligations outstanding under the Existing Credit Agreement, which shall remain in full force and effect, except as modified hereby or by instruments executed concurrently herewith.

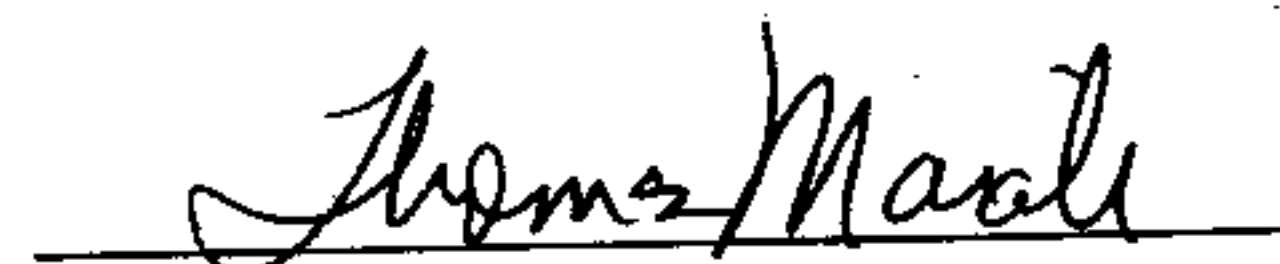
5. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall constitute an original, but both of which together shall constitute but one instrument.

IN WITNESS WHEREOF, Mortgagor and Mortgagee have hereunto set their hand as of the day and year first above written.

MORTGAGOR:  
DELCHAMPS, INC.

By:   
Name: R. Barry Camada  
Title: Executive Vice President

MORTGAGEE:  
FLEET CAPITAL CORPORATION, as Agent

By:   
Name: Thomas Maiale  
Title: Vice President



STATE OF MISSISSIPPI

COUNTY OF HINDS

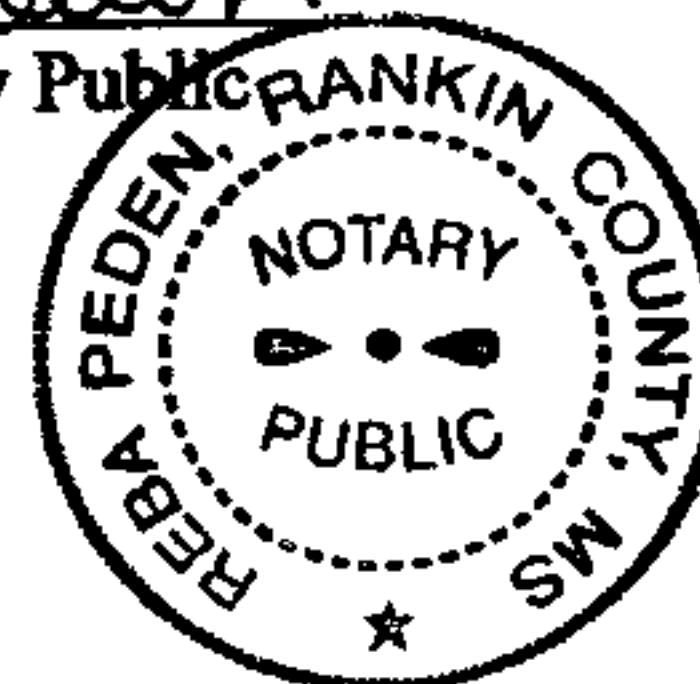
I, Reba Peden, a Notary Public in and for said County in said State, hereby certify that R. Barry Cannada whose name, as the Executive Vice President of Delchamps, Inc., an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 7<sup>th</sup> day of May, 1999.

Reba Peden

Notary Public

MY COMMISSION EXPIRES FEB. 5, 2003



STATE OF NEW YORK

COUNTY OF NEW YORK

I, Naomi J. Shrenzel, a Notary Public in and for said County in said State, hereby certify that Thomas Maiale, whose name, as Vice President of Fleet Capital Corporation, as Agent for the Lenders, 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 the instrument, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 14<sup>th</sup> day of May, 1999.

Naomi J. Shrenzel  
Notary Public

NAOMI J. SHRENZEL  
Notary Public, State of New York  
No. 018H5083015  
Qualified in Queens County  
Commission Expires August 4, 1999

## " EXHIBIT A "

A tract of land situated in the Southeast 1/4 of the Southeast 1/4 of Section 25, Township 19 South, Range 3 West, Shelby County, Alabama, and more particularly described as follows: Commence at the Northeast corner of said quarter-quarter section and run in a westerly direction along the north line thereof a distance of 422.06 feet; thence an angle left of 91 degrees 23 minutes 26 seconds and run in a southerly direction a distance of 412.83 feet to the point of beginning; thence an angle left of 88 degrees 35 minutes 50 seconds and run in an easterly direction for a distance of 417.36 feet to a point on the east line of said 1/4 - 1/4 section; thence an angle right of 89 degrees 15 minutes 39 seconds and run in a southerly direction along said east line a distance of 214.93 feet to a point on the west right of way line of U. S. Highway No. 31; thence an angle right of 08 degrees 42 minutes 15 seconds and run along said right of way in a southerly direction a distance of 408.97 feet; thence an angle right of 21 degrees 21 minutes 05 seconds and run in a southwesterly direction a distance of 188.80 feet to a point on the northwest right of way line of Alabama Highway No. 261; thence an angle right of 29 degrees 30 minutes and run in a southwesterly direction along said right of way a distance of 122.50 feet; thence an angle right of 85° 58" and run in a northwesterly direction along the northeast boundary of Riverchase Animal Clinic Property a distance of 141.48 feet; thence an angle left of 90 degrees and run southwest along the northwest line of said property a distance of 100.00 feet to the northeast right of way line of Valley Dale Terrace; thence an angle right of 90 degrees and run northwest along right of way line a distance of 25.60 feet to the beginning of a curve to the right, said curve having a radius of 419.64 feet and subtending a central angle of 13 degrees 13 minutes 21 seconds; thence run northwest along the arc of said curve a distance of 96.84 feet; thence on a line tangent to curve, continue north along right of way line a distance of 166.06 feet; thence an angle right of 77 degrees 22 minutes 09 seconds and run northeast along right of way a distance of 13.01 feet; thence an angle left to tangent of a curve to the left of 77 degrees 07 minutes 41 seconds; said curve having a radius of 174.25 feet and subtending a central angle of 30 degrees 07 minutes 58 seconds; thence run along the arc of said curve a distance of 91.61 feet; thence on a line tangent to curve, continue along right of way line in a northwesterly direction a distance of 67.40 feet; thence 90 degrees right and run northeast a distance of 147.17 feet; thence an angle right of 9 degrees 47 minutes, 39 seconds, and run northeast a distance of 175.89 feet; thence an angle left of 49 degrees 18 minutes 39 seconds and run in a northerly direction a distance of 175.35 feet to the point of beginning.

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