

STATE OF ALABAMA §
 §
COUNTY OF SHELBY §

LOAN MODIFICATION AGREEMENT

THIS LOAN MODIFICATION AGREEMENT is dated as of August 10, 1999, among **BROOKLINE, LTD.**, a Tennessee limited partnership ("Borrower"), **REGENCY SAVINGS BANK, F.S.B.** ("Lender"), **IBEX, INC.**, a corporation ("IBEX") and **BERRY N. SHIRLEY** ("Guarantor").

RECITALS

On July 28, 1989, Borrower borrowed the sum of \$950,000.00 (the "Loan") from Goldome Credit Corporation ("Goldome"), which Loan is evidenced by a Promissory Note dated July 28, 1989 (the "1989 note"). The Loan and the 1989 Note were amended by (i) an Amended and Restated Promissory Note dated November 1, 1993, in the amount of \$1,068,391.25 (the "1993 Note"), and by a Loan Modification Agreement and Amendment to Loan Documents dated as of October 22, 1993 (the "1993 Modification Agreement") and (ii) a Second Amended and Restated Promissory Note dated August 10, 1996, in the amount of \$1,042,028.22 (the "1996 Note"), and (iii) by a Loan Modification Agreement dated as of August 10, 1996, recorded at Instrument 1997-07000 (the "1996 Modification Agreement").

The Loan is secured by a Real Estate Mortgage dated as of July 28, 1989, which is recorded at Real Volume 249, Page 287, as amended by First Amendment to Mortgage dated April 1, 1991, which instrument is recorded at Instrument 1994-01164. The Loan is further secured by (i) a Collateral Assignment of Rents and Leases which is recorded at Real Volume 249, Page 303, (ii) a Security Agreement dated as of July 28, 1989, and (iii) UCC-1 Financing Statements. All references to recording information being in the Office of the Judge of Probate of Shelby County, Alabama.

The Loan, the 1993 Note and the 1996 Note are further secured by (i) an Indemnity Agreement Regarding Hazardous Materials dated as of July 28, 1989 (the "Hazardous Materials Indemnity"), and (ii) a Guaranty Agreement dated as of July 28, 1989. The 1993 Note, the 1996 Note, the Mortgage, as amended, the Security Agreement, the Collateral Assignment of Rents and Leases, the UCC-1 Financing Statements, the 1993 Modification Agreement, the 1996 Modification Agreement, the Management Fee Subordination Agreement dated as of August 10, 1996, the Hazardous Materials Indemnity, the 1989 Guaranty Agreement, the Guaranty Agreement dated as of August 10, 1996 (the "1996 Guaranty"), and all other instruments and documents evidencing or securing the Loan, the 1993 Note and the 1996 Note (including to the extent required by the context, any document or instrument superseded or amended by any of the foregoing) shall be hereinafter collectively referred to as the "Loan Documents".

The Loan, the Notes and the Loan Documents were sold and assigned to Lender by instrument recorded on October 31, 1994 at No. 1994-32563. The Loan and the 1996 Note have matured by their terms and the parties wish to extend and modify the Loan, the 1996 Note and the Loan Documents, as provided herein.

08/15/2000-27878
10:32 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
008 CJ1 244.25

Inst # 2000-27878

NOW, THEREFORE, be it agreed among the parties hereto as follows:

1. **Acknowledgement of Indebtedness.** Borrower, IBEX and Guarantor acknowledge that as of August 10, 1999, Borrower is indebted to Lender under the Loan Documents in the amount of \$145,448.59, accrued interest through August 9, 1999 in the amount of \$1,212.07 plus late fees in the amount of \$3,346.65. Borrower shall repay the indebtedness pursuant to the terms and conditions of this Agreement and the Third Amended and Restated Promissory Note referenced below (the "1999 Note").
2. **Representations and Warranties.** Borrower, IBEX and Guarantor represent and warrant as follows: All representations and warranties contained in the Loan Documents are true, correct and complete as of the date hereof. All financial statements heretofore delivered to Lender were true and correct in all aspects as of the date delivered to Lender. Neither Borrower, IBEX, nor Guarantor is in default with respect to any of its covenants under any of the Loan Documents, nor is there any condition which with the passage of time or giving of notice or both would become a default under any of the Loan Documents. There are no defenses to the enforcement of this Agreement, the 1999 Note, or any of the Loan Documents.
3. **Releases.** Borrower, IBEX and Guarantor release, relinquish and waive any and all claims that they have or might have against Lender, or any predecessor lender, or any of the officers, directors, employees, representatives, agents, attorneys, parent or subsidiary entities, or affiliates of any thereof, arising out of, or in connection with the Loan, the Loan Documents, this Agreement or any of the documents or transactions relating thereto, whether known or unknown. Borrower, IBEX and Guarantor covenant and agree that they will not assert or seek to assert any claim, offset, defense, recoupment, counterclaim or cross-claim of any kind or nature whatsoever with respect to the Loan, the 1996 Note, the Loan Documents or this Agreement.
4. **Modification of Loan.** Borrower shall execute a Third Amended and Restated Promissory Note with the following terms and conditions: The principal amount shall be \$145,448.59. The maturity date shall be August 10, 2004. The interest rate shall be the Wall Street Journal prime rate plus two percent (2.0%), adjusted daily. The principal and interest shall be amortized over 22 years, with a balloon payment due at maturity. The monthly payments of principal and interest shall be re-computed whenever the prime rate changes. The amount of principal and interest shall be \$1,389.50 per month, plus an escrow for taxes and insurance (currently estimated to be \$692.65 per month). Borrower shall pay at closing an extension fee in the amount of \$1,454.49, which is equal to one percent (1.0%) of the loan amount.
5. **Amended and Restated Note.** Borrower shall execute a Third Amended and Restated Promissory Note in the form attached hereto.
6. **Joinder of Guarantors.** Contemporaneously with the execution and delivery hereof, Guarantor (i) acknowledges and consents to the terms and provisions hereof; (ii) ratifies, confirms and agrees that the Guaranty is and shall remain in full force and effect and; (iii)

acknowledges that as of and upon the execution and delivery of this Agreement there are no claims or offsets against, or defenses or counter-claims to, the terms and provisions of and the obligation created and evidenced by the Guaranty (except as herein referenced).

7. **Management Fee Subordination.** IBEX consents to the modification of the Loan Documents and to the extension of the maturity date of the Note and the Loan. IBEX hereby ratifies that certain Management Fee Subordination Agreement dated August 10, 1996.
8. **Effect on Loan Documents.** Each of the Loan Documents and the 1993 Modification Agreement and 1996 Modification Agreement shall be deemed amended to the extent necessary to effect and carry out the intent of this Agreement. Except as set forth herein, in the 1999 Note, the Loan Documents are not amended or modified and remain in force and effect in accordance with their respective terms and shall continue to evidence, secure, guarantee or relate to, as the case may be, the Loan and the 1999 Note. Nothing in this Agreement or the 1999 Note shall in any way terminate, release, reduce, modify or amend the obligations of the guarantors under the 1989 Guaranty, which remain in force and effect. Nor shall any of the transactions contemplated in the Loan Documents constitute an accord and satisfaction or novation with respect to any obligations guaranteed by the 1989 Guaranty.
9. **Assent and Ratification.** Borrower, Guarantor and IBEX (i) consent to the modification of the Loan Documents; (ii) consent to and ratify all of the documents, actions and transactions heretofore done or executed on behalf of any of them; and (iii) waive any defect in the approval or execution of any of the documents referred to herein. Borrower reaffirms its obligations under the Hazardous Materials Indemnity and warrants to Lender that all of the representations and warranties were true on the date of execution and are true today. Shirley joins in the Hazardous Materials Indemnity, represents and warrants that all of the representations and warranties therein were true on the date of execution and are true today, and jointly and severally covenants to perform all of the covenants, agreements and obligations of an Indemnitor thereunder.
10. **Events of Default.** Each of the following shall be an "Event of Default" under this Agreement:
 - (a) Failure by Borrower or Guarantor to make any payment required to be made to Lender, as and when such payment shall become due and payable;
 - (b) Failure by Borrower or Guarantor to perform or observe any agreement or covenant on its part contained in any of the Loan Documents [other than the covenants and agreements referred to in the preceding clause (a) of this section], which failure shall have continued for a period of ten (10) days after written notice to such party;
 - (c) Any warranty, representation or other statement by or on behalf of Borrower or Guarantor contained in any Loan Document or in any other certificate or document furnished by such party being false or misleading in any material respect at the time made;

- (d) A default or an event of default under any of the Loan Documents;
 - (e) Failure by Borrower to make any regular monthly payment with respect to the Utility Charges, when such payment is due;
 - (f) Commencement of a foreclosure or similar action against Borrower or the Property, or the filing of a lien against the Property, with respect to the Utility Charges;
 - (g) A default under, or an event of default as defined in any instrument or agreement of Borrower or Guarantor evidencing indebtedness for money borrowed which results in such indebtedness becoming or being declared due and payable to the date on which it would otherwise become due and payable;
 - (h) The entry against Borrower or Guarantor of any final judgment, decree or order for the payment of money and the continuation of such judgment, decree or order unsatisfied and in effect without a stay of execution for a period of thirty (30) days;
 - (i) The death, dissolution or termination of existence of Borrower or Guarantor; or
 - (j) The bankruptcy or insolvency of Borrower or Guarantor or the inability or the failure by Borrower or Guarantor generally to pay his debts as such debts become due.
11. **Partial Release.** Borrower may obtain releases from the lien and security interest created by the Mortgage for single units ("Release Parcel(s)") upon the sale of such Release Parcel(s), provided that there has been full and complete satisfaction of all of the following terms and conditions:
- (a) Borrower shall not be in default in the payment of any or all of the indebtedness.
 - (b) Borrower shall have furnished to Lender a fully executed copy of the Contract of Sale (and all amendments thereto) by which such Release Parcel(s) are to be sold, together with other evidence of the terms of such sale as Lender shall reasonably request, and Borrower shall have given thirty (30) days' prior written notice to Lender of its intent to exercise such right of release and shall specify with particularity the extent of such exercise of right, and the time and place of the closing of such sale (the "Closing").
 - (c) The release prices as set out below shall be delivered solely to Lender at the Closing, in cash, certified funds, official bank check or other immediate funds acceptable to Lender together with any additional funds, in cash, which may otherwise be required to comply with the provisions of this paragraph or other provisions of the Mortgage. The release price per pad shall be \$15,000.
 - (d) Borrower shall furnish to Lender a current title commitment for the Release Parcel(s) which shall reflect the legal description of the Release Parcel(s) for which such release is sought.

- (e) Borrower shall make no request for partial release of any portion of the Property which does not allow full rights of ingress and egress to the remaining Properties after such release or which would violate any legal requirements.
 - (f) Borrower shall pay all expenses connected with or arising from any such request for partial release, or the actual release of Release Parcel(s), including, but not limited to, all expenses and costs of Lender, all attorneys' fees and costs of Borrower and Lender, all survey costs, appraisal costs, title insurance costs, and recording costs.
12. **Severability.** The provisions of this Agreement are severable. In the event any provision hereof is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
13. **Governing Law.** This Agreement has been made and delivered in the State of Alabama and shall be governed by, construed under and interpreted and enforced in accordance with the laws of the State of Alabama. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under the law.
14. **Entire Agreement; Counterparts.** This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, and it may be executed simultaneously in several counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.
15. **Amendments.** This Amendment cannot be altered, modified, or amended except in writing signed by all of the parties hereto.
16. **Binding Effect.** This Loan Modification Agreement shall be binding upon and inure to the benefit of the parties, their respective heirs, successors and assigns.
17. **Additional Documentation; Expenses.** Borrower and IBEX agree to provide certified resolutions properly authorizing this Agreement, the 1999 Note, the modification of the Loan and the transactions contemplated herein, in the form and substance satisfactory to Lender. Borrower and Guarantor agree to execute and deliver all such instruments, financing statements and other documents as Lender may request to effectuate, evidence, validate or perfect this modification. Borrower shall pay all recording fees and other expenses of this modification, including, without limitation, title insurance premiums or fees, survey costs, appraisal fees and expenses, legal expenses, recording fees and taxes.
18. **Notices** All notices herein authorized or required to be given to the parties hereto shall be sent by hand delivery, certified mail, registered mail or overnight express, postage prepaid, to the addresses set forth below or to such other address as the parties may designate from time to time in accordance with the terms of this subparagraph:

To Borrower:
Brookline, Ltd.
P.O. Box 360867
Birmingham, AL 35210

To IBEX:
IBEX, Inc.
P.O. Box 360867
Birmingham, AL 35210

To Lender:
Regency Savings Bank, F.S.B.
Attn: Commercial Loan Dept.
11 West Madison
Oak Park, IL 60302

To Guarantor:
Berry N. Shirley
P.O. Box 360867
Birmingham, AL 35210

IN WITNESS WHEREOF, the parties have caused this Agreement to be dated and effective as of August 10, 1999, although executed on the 18th day of September, 1999.

BROOKLINE, LTD.
a Tennessee limited partnership

By: Vantage Capital, Inc.
Its General Partner

By: [Signature]
Its President

REGENCY SAVINGS BANK, F.S.B.

By: [Signature]
Its Assistant Vice President

IBEX, INC.
a corporation

By: [Signature]
Its President

GUARANTOR:

[Signature]
Berty N. Shirley

STATE OF ALABAMA §
COUNTY OF JEFFERSON §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that B. N. Shirley, whose name as President of IBEX, INC., a 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 said instrument, he executed the same voluntarily as the act of said corporation.

Given under my hand and official seal of office, this 17th day of September 1999.

[NOTARIAL SEAL]

Kimberly R. Mathew
Notary Public
My Commission Expires 5-26-02

STATE OF ALABAMA §
COUNTY OF JEFFERSON §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that BERRY N. SHIRLEY, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and official seal of office, this 17th day of September 1999.

[NOTARIAL SEAL]

Kimberly R. Mathew
Notary Public
My Commission Expires 5-26-02

STATE OF ALABAMA §
COUNTY OF JEFFERSON §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that B.N. Sherry, whose name as President of Vantage Capital, Inc., as a general partner of BROOKLINE, LTD., a Tennessee 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 the said instrument, he executed the same voluntarily as general partner of said limited partnership.

Given under my hand and official seal of office, this 17th day of September, 1999.

[NOTARIAL SEAL]

Therese R. Mathews
Notary Public
My Commission Expires 5-26-02

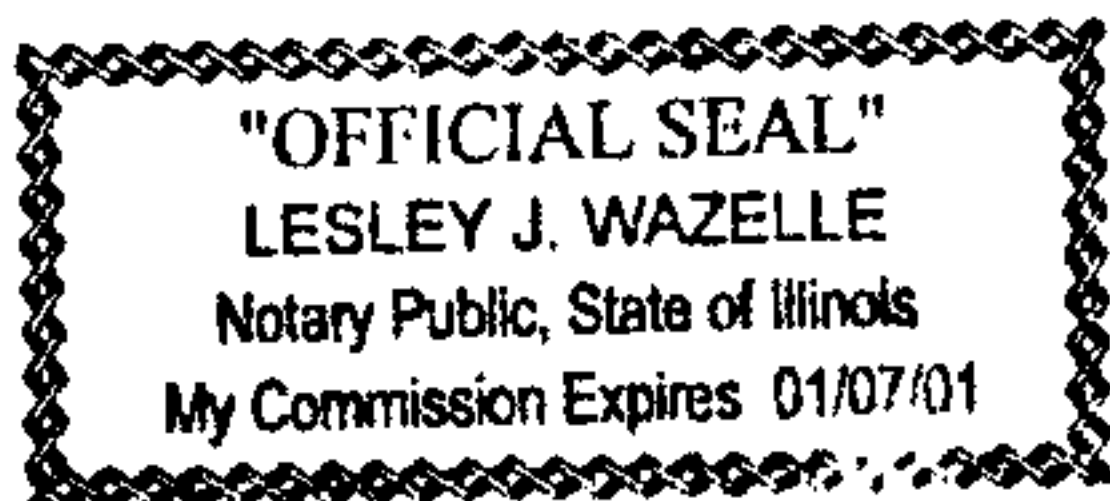
STATE OF ILLINOIS §
COUNTY OF COOK §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that DAVID C. HEYSON, whose name as Assistant Vice President of REGENCY SAVINGS BANK, F.S.B., 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 said instrument, he executed the same voluntarily as officer of said corporation.

Given under my hand and official seal of office, this 20th day of September, 1999.

[NOTARIAL SEAL]

Lesley J. Wazelle
Notary Public Lesley J. Wazelle
My Commission Expires January 7, 2001



After recording, return to:

Rick Renshaw, Esq.
8 Greenway Plaza, Suite 1100
Houston, TX 77046

08/15/2000-27878
10:32 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
244.25

Inst. # 2000-27878