

STATE OF ALABAMA

COUNTY OF SHELBY

LIEN WAIVER AND INDEMNITY

Preamble

Thornton Construction Company, Inc., a corporation ("Contractor") has agreed to perform certain work for, in or upon land in Shelby County, Alabama, owned or to be owned by Greystone Land, Inc. ("Owner") (the "Property"), on which single family residences and other buildings and improvements and on-site and off-site improvements are to be constructed, furnished and installed (collectively, the "Project"). Pursuant to such agreement, Contractor has and/or will furnish labor and materials and has and/or will perform construction and other work on the Property, for which Owner does and/or will owe Contractor.

Compass Bank, Birmingham, Alabama ("Bank"), has entered into a Master Construction Loan Agreement (the "Loan Agreement") and other loan documents executed or to be executed by and between Bank and Contractor relating to a revolving loan to Contractor in the principal amount of up to \$15,000,000.00, a portion of which sum may be used to pay Contractor the amount or portions of the amount owed the Contractor for such labor and materials and construction and other work. The Loan Agreement requires, among other things, that Bank obtain a first mortgage lien on the Property and the Project and be entitled to priority, to the extent of Bank's interest, over any claim or lien of Contractor for the entire principal amount plus interest, future advances, expenses and charges, all as set forth in the Accommodation Mortgage and Security Agreement from Greystone Ridge Partnership (the "Partnership") to Bank, said mortgage having been subsequently amended pursuant to various amendment agreements between Bank and the Partnership and further, having been assumed by Greystone Ridge, Inc. pursuant to that certain Assumption Agreement between Bank, Greystone Ridge, Inc., the Partnership and other parties and further, having been assumed by Owner pursuant to that certain Assumption Agreement between Bank, Owner, Greystone Ridge, Inc. and other parties, all of the foregoing as recorded or to be recorded in the real estate records of Shelby County, Alabama (the "Mortgage").

NOW, THEREFORE, for and in consideration of the premises and in order to induce the Bank to make advances to Contractor under the Loan Agreement and other loan documents, Contractor agrees as follows:

1. Contractor hereby waives any and all lien or claim of, or right to, lien relating to mechanic's and materialmen's liens and otherwise with respect to and on the Property and Project, resulting from or attributable to the services, work and material which have been and may in the future be furnished, performed or provided by Contractor or others for Contractor to the claim, lien or interest of Bank, its said successors and assigns, to the extent of the interest of Bank, its successors and assigns, arising out of or related to the Loan, the Mortgage or other Loan Documents.

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Alabama Title

2. Contractor hereby agrees, to the extent of the interest of Bank, and Bank's successors and assigns, arising out of or related to the Loan, the Mortgage, or other loan documents, to indemnify and hold Bank, and Bank's successors and assigns, harmless from any and all claims, suits, or actions, liens or claim of, or right to, liens by Contractor, any subcontractor or employee of Contractor or any subcontractor relating to mechanic's and materialmen's liens or otherwise which would have priority over the claim, lien or interest of Bank or Bank's successors and assigns.
3. This Agreement will not inure to or otherwise benefit any third party except the successors and assigns of Bank and First American Title Insurance Company or any other title insurance company providing Mortgagee's title insurance on the Property and the Project.

IN WITNESS WHEREOF, Contractor has caused this Agreement to be executed and delivered to bank as of the 14th day of February, 2001.

CONTRACTOR:

THORNTON CONSTRUCTION
COMPANY, INC.

By: [Signature]

Its: PRESIDENT

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, the undersigned, a notary public in and for said county in said state, hereby certify that Gary R. Dent, whose name as President of **THORNTON CONSTRUCTION COMPANY, 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 such 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 and official seal this 14th day of February, 2001.

[Notarial Seal]

[Signature]
Notary Public

My Commission Expires: MY COMMISSION EXPIRES SEPTEMBER 8, 2003

(C:\MY DOCUMENTS\FORMS\LIEN WAIVER & INDEMNITY)

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