

MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT, Made by and between New South Federal Savings Bank, of 1900 Crestwood Boulevard, ("Lender"), and James Woods Development, Inc. formerly known as Paragon Properties, Inc. as shown in Instrument #200008/1704 recorded in the Probate Office of Jefferson County, Alabama ("Borrower").

WHEREAS, Borrower (or Borrower's predecessor in title, if applicable) has made, executed and delivered to Lender (or Lender's predecessor, if applicable) a Mortgage Note or Bond and/or Mortgage ("Instrument") dated March 2, 2000, in the original principal amount of \$ 461,600.00 interest at the rate of 1% per annum above the "Prime Interest Rate" and recorded in Instrument #2000-07444 and corrected in Instrument #2000-18331 and amended to \$482,400.00 as recorded in modification in Instrument #2000-33581.

WHEREAS, Lender is willing to modify the terms of the Instrument(s) in consideration of Borrower's representations and covenants contained herein. Borrower is substituting collateral in that the lien was originally on the property described in mortgage recorded in Instrument #2000-18331 and modified in Instrument #2000-33581 given by Paragon Properties, Inc. to NewSouth Federal Savings Bank dated March 2, 2000, filed March 9, 2000, legal as described in Exhibit "A" which shall be release by lender and borrower will substitute the property described in Exhibit "B" as collateral under the terms of the original mortgage with the lender.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Borrower promises to repay the Instrument(s) according to the following terms:

Borrower shall substitute the property described herein as Exhibit "B" as collateral and comply with all terms and conditions of the mortgage held by lender and recorded in Instrument 2000-07444 and corrected in Instrument #2000-18331 and modified in Instrument #2000-33581. Further, borrower reaffirms all documents signed at the time of the original indebtedness, including the promissory note, mortgage and other documents signed by borrower at the loan closing on March 2, 2000.

3. BORROWER HEREBY DECLARES AND AFFIRMS THAT BORROWER POSSESSES SUFFICIENT AND ADEQUATE FINANCIAL ABILITY TO MEET THE TERMS OF THIS AGREEMENT.

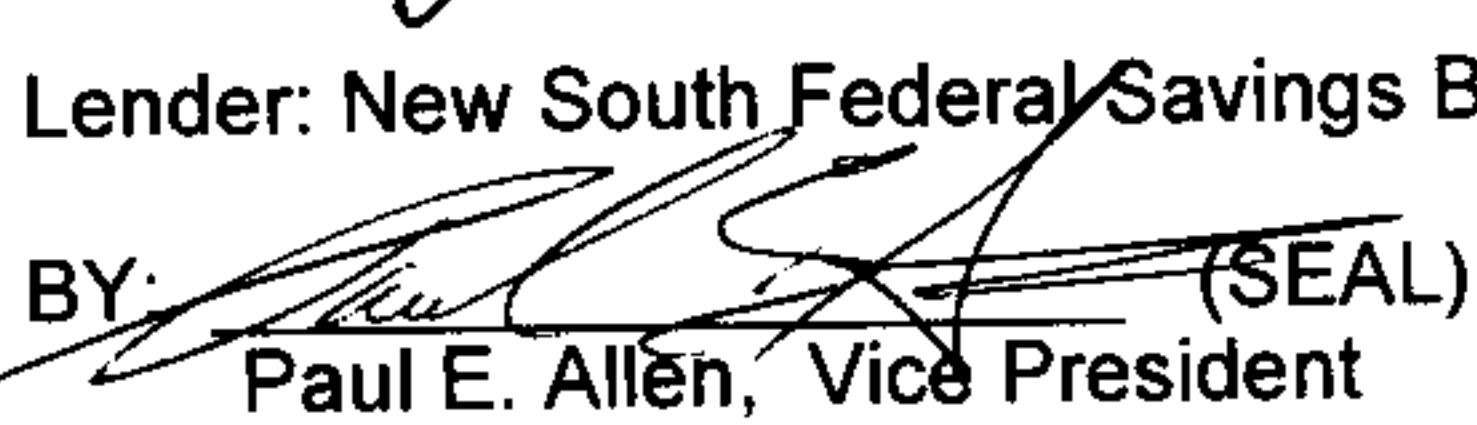
4. IT IS EXPRESSLY UNDERSTOOD THAT NEITHER BORROWER NOR LENDER IS OBLIGATED TO EXECUTE THIS AGREEMENT AND IT SHALL HAVE NO FORCE OR EFFECT UNLESS AND UNTIL BOTH PARTIES HAVE EXECUTED.

5. IN THE EVENT OF A DEFAULT UNDER THIS AGREEMENT, LENDER MAY AT ITS SOLE OPTION TERMINATE THIS AGREEMENT AND WITHOUT NOTICE OR DEMAND, REINSTATE THE INSTRUMENT(S) AND ANY MODIFICATIONS THERETO IN ACCORDANCE WITH THEIR TERMS PRIOR TO THIS AGREEMENT.

6. IN ALL OTHER RESPECTS, THE PROVISIONS OF THE INSTRUMENT(S) SHALL REMAIN UNCHANGED. THIS AGREEMENT DOES NOT CONSTITUTE THE CREATION OF A NEW DEBT OR THE EXTINGUISHMENT OF THE DEBT EVIDENCED BY THE INSTRUMENT(S), NOR DOES IT IN ANY WAY AFFECT OR IMPAIR THE LIEN OF THE INSTRUMENT(S) WHICH BORROWER HEREBY ACKNOWLEDGES TO BE A VALID AND EXISTING FIRST LIEN, IT IS FURTHER AGREED THAT SAID LIEN SHALL CONTINUE IN FULL FORCE AND EFFECT, UNAFFECTED AND UNIMPAIRED BY THIS AGREEMENT, AND THE SAME SHALL SO CONTINUE UNTIL FULLY SATISFIED.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the dates indicated opposite their signatures set forth below.

Borrower: James Woods Development, Inc.
 (SEAL) Date: February 19, 2002
James W. Woods, Jr, President

Lender: New South Federal Savings Bank, a Federally Chartered Savings Bank
BY:  (SEAL) Date: February 19, 2002
Paul E. Allen, Vice President

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SHELBY COUNTY JUDGE OF PROBATE
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Exhibit "A"

Lot 31, according to the Map of Greystone, 6th Sector, as recorded in Map Book 17, Page 54 A, B and C, in the Probate Office of Shelby County, Alabama.

Together with the non exclusive easement to use the private roadways, Common Areas and Hugh Daniel Drive, all as more particularly described in the Greystone Residential Declaration of Covenants, Conditions and Restrictions dated November 6, 1990 and recorded in Real Volume 317 Page 260, in the Probate Office of Shelby County, (which together with all amendments thereto, is hereinafter collectively referred to as the "Declaration").

A handwritten signature in black ink, consisting of a large, stylized 'C' or 'G' shape with a horizontal line extending to the right.

Exhibit "B"

Lot 3, according to the Survey of Brynleigh Estates, as recorded in Map Book 19, Page 139, in the Probate Office of Shelby County, Alabama.



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