

MORTGAGE FILING PRIVILEGE TAXES HAVE BEEN PREVIOUSLY PAID ON \$3,626,250.00 OF INDEBTEDNESS IN CONNECTION WITH THE MORTGAGE (DEFINED MORE PARTICULARLY BELOW), AS AMENDED. MORTGAGE FILING PRIVILEGE TAXES ARE NOW DUE ON AN ADDITIONAL \$1,755,000 OF INDEBTEDNESS TO BE SECURED BY THE MORTGAGE, AS FURTHER AMENDED BY THIS INSTRUMENT.

STATE OF ALABAMA)
SHELBY COUNTY)

**SECOND AMENDMENT TO
FUTURE ADVANCE MORTGAGE**

THIS SECOND AMENDMENT TO FUTURE ADVANCE MORTGAGE ("this Amendment") dated as of April 11, 2002 (the "Effective Date") is entered into by **FOREST LAKES, L.L.C.**, an Alabama limited liability company (the "Borrower"), and **NATIONAL BANK OF COMMERCE OF BIRMINGHAM**, a national banking association (the "Lender").

Recitals

A. The Borrower has heretofore executed in favor of the Lender a certain Future Advance Mortgage dated May 3, 2000 and recorded in the Office of the Judge of Probate of Shelby County, Alabama (the "Recording Office") in Instrument # 2000-15018 (the "Mortgage"), which Mortgage was amended by that certain First Amendment to Future Advance Mortgage dated September 14, 2001 executed by the Borrower in favor of the Lender and attached hereto as Exhibit A.

B. The Mortgage secures (among other things) a certain loan in the maximum principal amount of \$3,626,250.00 (the "Loan"), which Loan is evidenced by that certain Amended and Restated Master Note dated September 14, 2001 executed by the Borrower in favor of the Lender in said maximum principal amount (the "Note").

C. The Borrower has requested that the Lender make available certain additional indebtedness to the Borrower, the proceeds of which increase will be used by the Borrower to finance the development of additional sectors the Project, which the Lender has agreed to do, upon the condition that, among other things, the Borrower execute this Amendment.

Agreement

NOW, THEREFORE, in consideration of the premises and the mutual agreements set forth in this Amendment, effective as of the Effective Date, the Borrower and the Lender hereby agree as follows:

1. Capitalized terms used in this Amendment and not otherwise defined herein have the respective meanings attributed thereto in the Mortgage.

2. From and after the Effective Date, the first paragraph of the Recitals on page 1 of the Mortgage shall be, and it is hereby, replaced in its entirety with the following:

Capitalized terms used in these Recitals have the meanings defined for them above or in Section 1.2. The Borrower has requested that the Lender extend Credit to the Borrower in the form of (a) a term loan in the maximum principal amount of \$3,626,250; (b) a term loan in the maximum principal amount of \$240,000; and (c) a term loan in the maximum principal amount of \$1,500,000 (collectively, the "Loan") to finance the development of the Project, as more particularly described in the Credit Agreement. To secure the Obligations, and to induce the Lender to extend the Credit to the Borrower, the Borrower has agreed to execute this Agreement.

3. From and after the Effective Date, Section 6.23 of the Mortgage shall be, and it is hereby, replaced in its entirety with the following:

SECTION 6.23 Release of Lots. So long as no Event of Default shall have occurred and be continuing, any Lots in the Project may be released from the Lien of this Mortgage upon the Borrower's request in connection with a bona fide sale of such Lot to a Purchaser accompanied by payment to the Lender of a sum equal to the following amount for each Lot for which a release is requested: the greater of (i) (A) in the case of Lots with 40 feet of frontage, \$17,850; (B) in the case of Lots with 60 feet of frontage, \$20,400; (C) in the case of Lots with 75 feet of frontage, \$25,400; or (ii) 85% of the net purchase price obtained by Borrower upon the sale of such Lot as evidenced by the Lot Contract for such Lot. Upon payment to the Lender of the release price with respect to any Lot, the Lender shall promptly deliver to the Borrower a partial release of said Lot from the Lien of this Mortgage, and the Lender shall apply the release price to the reduction of the Obligations secured hereby in such order as the Lender, in its sole discretion, may elect.

4. From and after the Effective Date, Exhibit B of the Mortgage shall be, and it is hereby, replaced in its entirety with Revised Exhibit B attached hereto and made a part hereof.

5. In order to induce the Lender to enter into this Amendment, the Borrower hereby represents and warrants that all the representations and warranties set forth in the Mortgage and each of the Credit Documents are true and correct as of the date of this Amendment and as of the date of execution hereof; and no event of default under the Mortgage has occurred and is continuing.

6. Except as hereby expressly modified and amended the Mortgage shall remain in full force and effect in accordance with its terms. This Amendment is not intended to be or

create, nor shall it be construed as, a novation or an accord and satisfaction of the debts secured by the Mortgage.

IN WITNESS WHEREOF, each of the undersigned has executed this Amendment or caused this Amendment to be executed in its name and on its behalf by its duly authorized officer or member, as the case may be, all as of the Effective Date first set forth above.

FOREST LAKES, L.L.C.

By: _____

John G. Reamer, Jr., its Managing Member

**NATIONAL BANK OF COMMERCE OF
BIRMINGHAM**

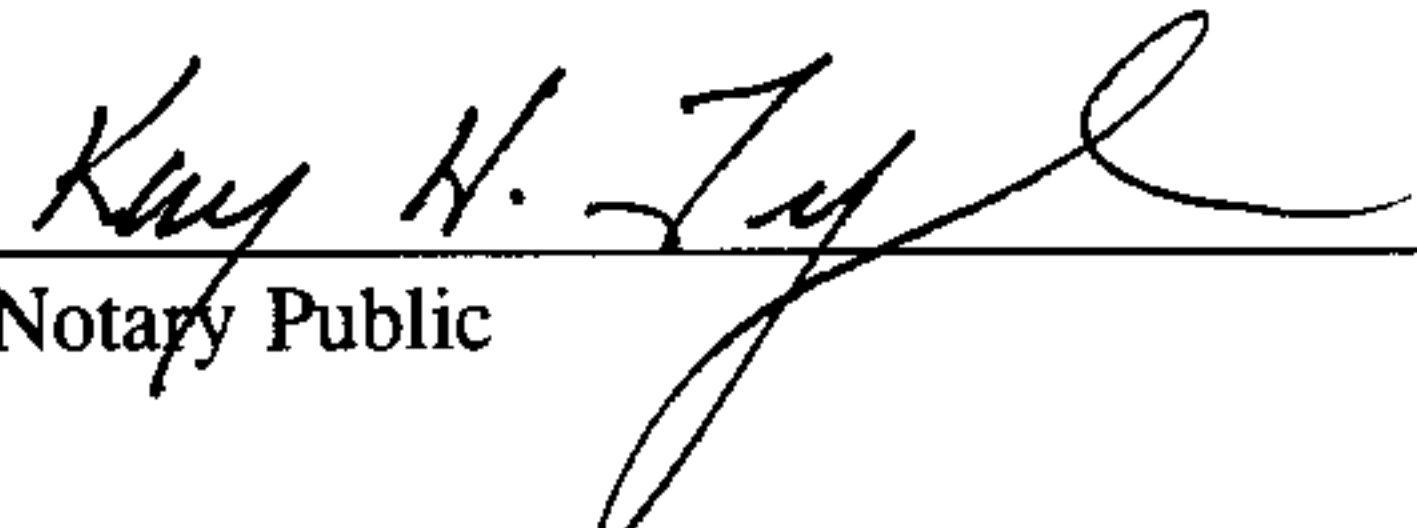
By: _____

C. Houston Gillespy, its Vice President

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that John G. Reamer, Jr., whose name as Managing Member of Forest Lakes, L.L.C., an Alabama limited liability company, 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, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal, this 11th day of April, 2002.



Notary Public

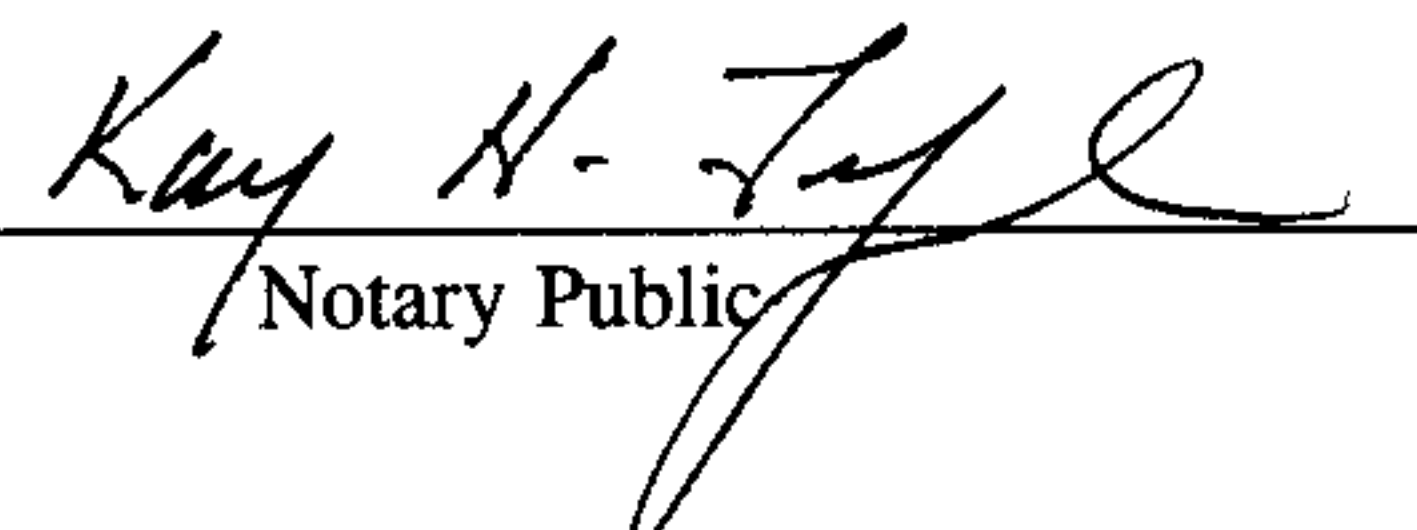
[AFFIX SEAL]

My Commission Expires: 11/6/04

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that C. Houston Gillespy, whose name as Vice President of National Bank of Commerce of Birmingham, a national banking association, 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, as such officer and with full authority, executed the same voluntarily for and as the act of said national banking association.

Given under my hand and official seal, this 11th day of April, 2002.



Notary Public

[AFFIX SEAL]

My Commission Expires: 11/6/04

This instrument was prepared by:
Stephen W. Stallcup, Esq.
MAYNARD, COOPER & GALE, P.C.
1901 Sixth Avenue North
2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203-2618

Exhibit A

(Copy of First Amendment to Future Advance Mortgage)

[Attached]

Exhibit "A"

STATE OF ALABAMA)
SHELBY COUNTY)

**FIRST AMENDMENT TO
FUTURE ADVANCE MORTGAGE**

THIS FIRST AMENDMENT TO FUTURE ADVANCE MORTGAGE ("this Amendment") dated as of September 13, 2001 (the "Effective Date") is entered into by **FOREST LAKES, L.L.C.**, an Alabama limited liability company (the "Borrower"), and **NATIONAL BANK OF COMMERCE OF BIRMINGHAM**, a national banking association (the "Lender").

Recitals

A. The Borrower has heretofore executed in favor of the Lender a certain Future Advance Mortgage dated May 3, 2000 and recorded in the Office of the Judge of Probate of Shelby County, Alabama in Instrument # 2000-15018 (the "Mortgage").

B. The Mortgage secures (among other things) a certain loan in the maximum principal amount of \$3,646,250 (the "Loan"), which Loan is evidenced by that certain Master Note dated May 3, 2000 executed by the Borrower in favor of the Lender in said maximum principal amount (the "Note").

C. The Borrower has requested that the Lender make available additional loan proceeds in the maximum amount of \$1,180,000 to the Borrower, the proceeds of which increase will be used by the Borrower to finance the second phase of the development of the Project, which the Lender has agreed to do, upon the condition that, among other things, the Borrower execute this Amendment.

Agreement

NOW, THEREFORE, in consideration of the premises and the mutual agreements set forth in this Amendment, effective as of the Effective Date, the Borrower and the Lender hereby agree as follows:

1. Capitalized terms used in this Amendment and not otherwise defined herein have the respective meanings attributed thereto in the Mortgage.

2. From and after the Effective Date, the first paragraph of the Recitals on page 1 of the Mortgage shall be, and it is hereby, replaced in its entirety with the following:

Capitalized terms used in these Recitals have the meanings defined for them above or in Section 1.2. The Borrower has requested that the Lender extend Credit to the Borrower in the form of a term loan in the maximum principal amount of \$3,626,250 (the "Loan") to finance the development of the Project, as more particularly described in the Credit Agreement. To secure the Obligations, and to induce the Lender to extend the Credit to the Borrower, the Borrower has agreed to execute this Agreement.

3. From and after the Effective Date, Section 6.23 of the Mortgage shall be, and it is hereby, replaced in its entirety with the following:

SECTION 6.23 Release of Lots. So long as no Event of Default shall have occurred and be continuing, any Lots in the Project may be released from the Lien of this Mortgage upon the Borrower's request in connection with a bona fide sale of such Lot to a Purchaser accompanied by payment to the Lender of a sum equal to the following amount for each Lot for which a release is requested: the greater of (i) (A) in the case of Lots with 60 feet of frontage, \$20,400, and (B) in the case of Lots with 75 feet of frontage, \$25,400 or (ii) 85% of the net purchase price obtained by Borrower upon the sale of such Lot as evidenced by the Lot Contract for such Lot. Upon payment to the Lender of the release price with respect to any Lot, the Lender shall promptly deliver to the Borrower a partial release of said Lot from the Lien of this Mortgage, and the Lender shall apply the release price to the reduction of the Obligations secured hereby in such order as the Lender, in its sole discretion, may elect.

4. From and after the Effective Date, Exhibit B of the Mortgage shall be, and it is hereby, replaced in its entirety with Revised Exhibit B attached hereto and made a part hereof.

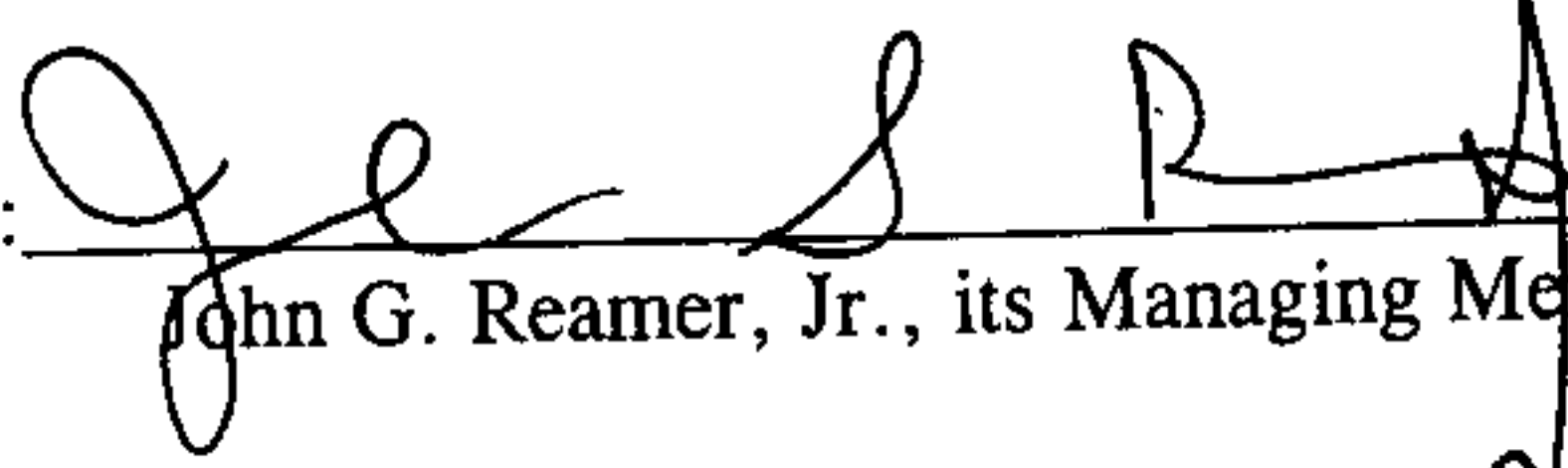
5. In order to induce the Lender to enter into this Amendment, the Borrower hereby represents and warrants that all the representations and warranties set forth in the Mortgage and each of the Credit Documents are true and correct as of the date of this Amendment and as of the date of execution hereof; and no event of default under the Mortgage has occurred and is continuing.

6. Except as hereby expressly modified and amended the Mortgage shall remain in full force and effect in accordance with its terms. This Amendment is not intended to be or create, nor shall it be construed as, a novation or an accord and satisfaction of the debts secured by the Mortgage.

IN WITNESS WHEREOF, each of the undersigned has executed this Amendment or caused this Amendment to be executed in its name and on its behalf by its duly authorized officer or member, as the case may be, all as of the Effective Date first set forth above.

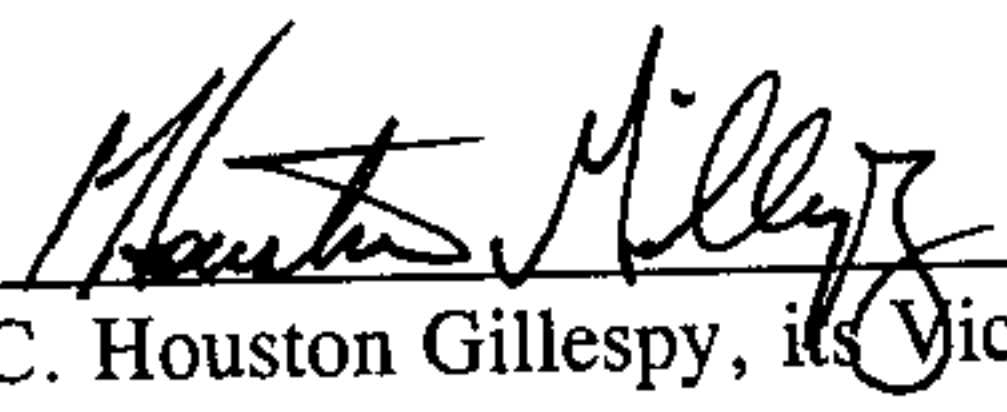
FOREST LAKES, L.L.C.

By: _____


John G. Reamer, Jr., its Managing Member

**NATIONAL BANK OF COMMERCE OF
BIRMINGHAM**

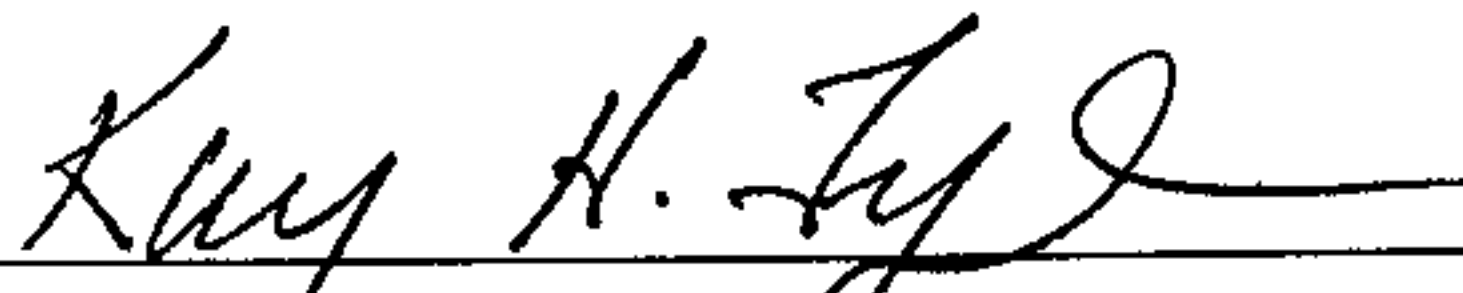
By: _____


C. Houston Gillespy, its Vice President

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that John G. Reamer, Jr., whose name as Managing Member of Forest Lakes, L.L.C., an Alabama limited liability company, 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, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal, this 13th day of September, 2001.



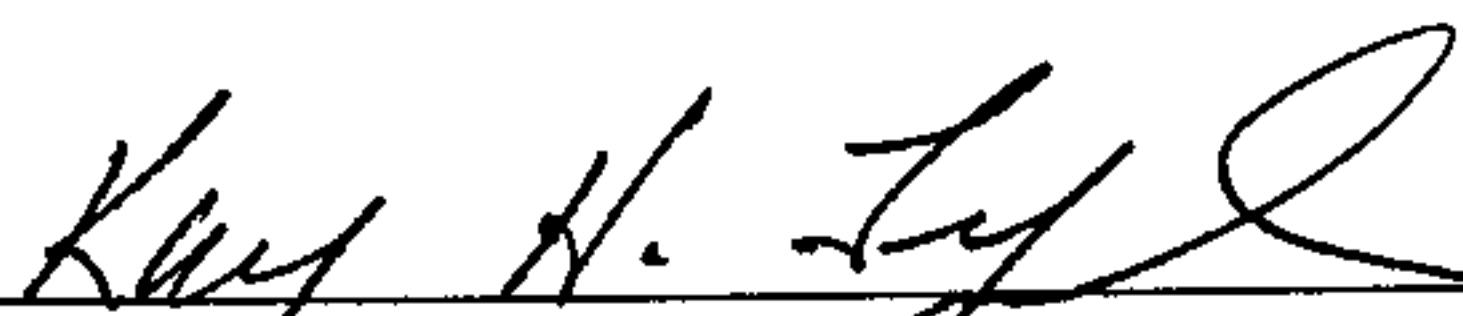
Notary Public

[AFFIX SEAL]
My Commission Expires: 11-6-04

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that C. Houston Gillespy, whose name as Vice President of National Bank of Commerce of Birmingham, a national banking association, 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, as such officer and with full authority, executed the same voluntarily for and as the act of said national banking association.

Given under my hand and official seal, this 13th day of September, 2001.



Notary Public

[AFFIX SEAL]
My Commission Expires: 11-6-04

This instrument was prepared by:
Stephen W. Stallcup, Esq.
MAYNARD, COOPER & GALE, P.C.
1901 Sixth Avenue North
2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203-2618

Revised Exhibit B

(Credit Documents)

The "**Credit Documents**" referred to in this Agreement include the following:

- (a) Amended and Restated Credit Agreement dated of even date herewith executed by the Borrower and the Lender.
- (b) Amended and Restated Master Note dated of even date herewith in the principal amount of Three Million Six Hundred Twenty Six Thousand Two Hundred Fifty and No/100 Dollars (\$3,626,250.00) executed by the Borrower in favor of the Lender.
- (c) Future Advance Mortgage dated May 3, 2000 executed by the Borrower in favor of the Lender, as amended by that certain First Amendment to Future Advance Mortgage dated of even date herewith.
- (d) Environmental Indemnity Agreement dated May 3, 2000 executed by the Borrower, John G. Reamer, Jr., John R. Chiles and Mary H. Chiles in favor of the Lender, as amended by that certain First Amendment to Environmental Indemnity Agreement dated of even date herewith.
- (e) Guaranty Agreement dated May 3, 2000 executed by John G. Reamer, Jr. in favor of the Lender.
- (f) Amended and Restated Limited Guaranty Agreement dated of even date herewith executed by John R. Chiles in favor of the Lender.
- (g) Amended and Restated Limited Guaranty Agreement dated of even date herewith executed by Mary H. Chiles in favor of the Lender.

Revised Exhibit B

(Credit Documents)

The "Credit Documents" referred to in this Agreement include the following:

- (a) Amended and Restated Credit Agreement dated of even date herewith executed by the Borrower and the Lender.
- (b) Amended and Restated Master Note dated September 14, 2001 in the principal amount of Three Million Six Hundred Twenty Six Thousand Two Hundred Fifty and No/100 Dollars (\$3,626,250.00) executed by the Borrower in favor of the Lender.
- (c) Master Note dated of even date herewith in the principal amount of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) executed by the Borrower in favor of the Lender.
- (d) Master Note - Commercial Loans dated of even date herewith in the principal amount of Two Hundred Forty Thousand and No/100 Dollars (\$240,000.00) executed by the Borrower in favor of the Lender.
- (e) Future Advance Mortgage dated May 3, 2000 executed by the Borrower in favor of the Lender, as amended by that certain First Amendment to Future Advance Mortgage dated September 14, 2001, and as further amended by that certain Second Amendment to Future Advance Mortgage dated of even date herewith.
- (f) Environmental Indemnity Agreement dated May 3, 2000 executed by the Borrower, John G. Reamer, Jr., John R. Chiles and Mary H. Chiles in favor of the Lender, as amended by that certain First Amendment to Environmental Indemnity Agreement dated September 14, 2001, and as further amended by that certain Second Amendment to Environmental Indemnity Agreement dated of even date herewith.
- (g) Amended and Restated Guaranty Agreement dated of even date herewith executed by John G. Reamer, Jr. in favor of the Lender.
- (h) Amended and Restated Limited Guaranty Agreement dated of even date herewith executed by John R. Chiles in favor of the Lender.
- (i) Amended and Restated Limited Guaranty Agreement dated of even date herewith executed by Mary H. Chiles in favor of the Lender.

Inst. # 2002-19093

704/24/2002-19093
12:44 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
012 MSB 2676.50