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RECORDER NOTE: THIS AGREEMENT IS GIVEN AS ADDITIONAL COLLATERAL FOR A MORTGAGE FROM GREYSTONE GOLF, LLC TO SOUTHTRUST BANK, SUCH MORTGAGE BEING RECORDED AS INSTRUMENT NO. ★ IN THE OFFICE OF THE JUDGE OF PROBATE OF SHELBY COUNTY, ALABAMA, AND SECURES AN EXISTING INDEBTEDNESS UPON WHICH MORTGAGE TAX HAS PREVIOUSLY BEEN PAID. NO ADDITIONAL RECORDING TAX WILL BE PAYABLE UPON THE RECORDING OF THIS AGREEMENT, WHICH IS GIVEN AS ADDITIONAL COLLATERAL.

*This Instrument Prepared By, And After
Recording Should Be Returned To:*


20030304000128480 Pg 1/11 44.00
Shelby Cnty Judge of Probate, AL
03/04/2003 08:07:00 FILED/CERTIFIED

Gail Livingston Mills, Esq.
Burr & Forman LLP
3100 SouthTrust Tower
420 North 20th Street
Birmingham, Alabama 35203
Telephone: (205) 251-3000

STATE OF ALABAMA)
 :
COUNTY OF SHELBY)

CROSS-COLLATERALIZATION AND CROSS-DEFAULT AGREEMENT

THIS CROSS-COLLATERALIZATION AND CROSS-DEFAULT AGREEMENT (this "Agreement"), made this 30th day of December, 2002, is between and among **GREYSTONE GOLF, LLC**, an Alabama limited liability company ("Greystone Golf"), **GREYSTONE GOLF CLUB, INC.**, an Alabama non-profit corporation ("Club"), **GREYSTONE DEVELOPMENT COMPANY, LLC**, an Alabama limited liability company ("GDC"), and **DANIEL OAK MOUNTAIN LIMITED PARTNERSHIP**, an Alabama limited partnership ("DOM") (Greystone Golf, Club, GDC, and DOM being collectively referred to herein as the "Daniel Affiliates"), each of whose address is c/o Daniel Realty Corporation, 3595 Grandview Parkway, Suite 400, Birmingham, Alabama 35203, and **SOUTHTRUST BANK**, an Alabama banking corporation (hereinafter called the "Lender"), whose address is P.O. Box 2554, Birmingham, Alabama 35290, Attention: Commercial Real Estate Department.

WITNESSETH:

WHEREAS, GDC is currently indebted to the Lender for a loan in the original stated principal amount of \$3,761,832.64 (the "Residential Loan"), which such loan is evidenced and secured by the "Residential Loan Documents" which are more particularly described on Exhibit A attached hereto;

WHEREAS, Greystone Golf has requested a loan from Lender in the principal amount of \$7,000,000 (the "Golf Loan"), which such loan will be evidenced and secured by the "Golf Loan Documents" more particularly described on Exhibit B attached hereto;

WHEREAS, as a condition precedent to making the Golf Loan to Greystone Golf, Lender requires that the Golf Loan be cross-defaulted and cross-collateralized with the Residential Loan; and

WHEREAS, each of the Daniel Affiliates acknowledge that Lender would not have entered into the transactions contemplated by the Golf Loan Documents without the execution and delivery of this Agreement, and the execution and delivery of this Agreement is a material inducement to Lender to make the Golf Loan and enter into the Golf Loan Documents. Each of the Daniel Affiliates share common ownership and control and will receive a direct and material benefit from Lender entering into the Golf Loan Documents and making the Golf Loan to Greystone Golf, and hereby further acknowledge and agree that the consideration received by each of the Daniel Affiliates for the execution and delivery of this Assignment is actual and adequate.

AGREEMENT

NOW, THEREFORE, in consideration of the Recitals, Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and as an inducement to Lender to make the Golf Loan to Greystone Golf, the Daniel Affiliates hereby covenant and agree with Lender, and Lender hereby covenants and agrees with the Daniel Affiliates, as follows:

1. **Defined Terms.** As used herein, the following terms shall have the following meanings:

"Golf Loan Documents" means the loan documents evidencing and securing the Golf Loan, which are more particularly described on Exhibit B attached hereto.

"Residential Loan Documents" means the loan documents evidencing and securing the Residential Loan, which are more particularly described on Exhibit A attached hereto.

"Collateral" means the collateral more particularly described in the Loan Documents.

"Loans" means the Golf Loan and the Residential Loan, collectively.

"Loan Documents" means, collectively, the Golf Loan Documents and the Residential Loan Documents.

"Club SNDA" means that certain Subordination, Non-Disturbance and Attornment Agreement of even date herewith, by and among the Lessee, Borrower, and Lender and recorded in the Shelby Probate Office contemporaneously herewith, as the same may hereafter be modified or amended.

2. **Cross-Collateralization.** The Loans are hereby cross-collateralized with one another and Daniel Affiliates agree that the Collateral described in their respective Loan Documents shall secure, in addition to their respective Loan and on a pari passu basis with the other Loan, the obligations of the other borrower under the other Loan Documents (namely, Greystone Golf under the Golf Loan Documents, and GDC under the Residential Loan Documents), or any other obligor under any other Loan Document, including, without limitation, such borrower's or obligor's obligation to pay the principal and interest on its Loan, as the same may hereafter be renewed, modified, amended or extended, and to pay all other indebtedness and other agreed charges, and to perform all of the terms and conditions under its Loan Documents.

3. **Cross-Default.** The Loans are hereby cross-defaulted with one another and the Daniel Affiliates agree that the occurrence of an Event of Default as defined in, and pursuant to any of the Loan Documents, which is not cured within applicable grace or curative periods, shall constitute an immediate Event of Default (without need of further notice or the expiration of any additional cure period other than as specified in such Loan Documents) under all other Loan Documents.

4. **Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon the Borrowers and Lender and their respective heirs, executors, legal representatives, successors, successors-in-title, and assigns.

5. **Severability.** If any provisions of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

6. **Notices.** Any notice or other communication required or permitted to be given by this Agreement or the other Loan Documents or by applicable law shall be in writing and shall be deemed received (a) on the date delivered, if sent by hand delivery (to the person or department if one is specified below), (b) three (3) days following the date deposited in U.S. mail, certified or registered, with return receipt requested, or (c) one (1) day following the date deposited with Federal Express or other national overnight carrier, and in each case addressed as follows:

If to any Daniel Affiliates:

Greystone Development Company, LLC
3595 Grandview Parkway
Suite 400
Birmingham, Alabama 35243-1930

Attn: Christopher A. Brown, Senior Vice President

With a copy to:

Stephen R. Monk, Esq.
Bradley Arant, Rose & White LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, Alabama 35203

If to Lender:

SouthTrust Bank
P.O. Box 2554 (35290)
420 N. 20th Street
Commercial Real Estate Dept. 8th Floor
Birmingham, Alabama 35203

With a copy to:

Gail Livingston Mills, Esq.
Burr & Forman LLP
P.O. Box 830719 (35283)
420 North 20th Street
3100 SouthTrust Tower
Birmingham, Alabama 35203

Failure to provide courtesy copies shall not render invalid any notice otherwise properly given. Any party may change its address to another single address by notice given as herein provided, except any change of address notice must be actually received in order to be effective.

7. **Termination.** Upon payment in full of the Residential Loan, this Agreement shall continue in full force with effect and all of the Collateral described in and secured by the Residential Loan Documents shall continue to secure the Golf Loan. Lender covenants and agrees to release and terminate this Agreement upon the first to occur of either (a) the exercise by the Club of the Purchase Option, as defined in the Club SNDA, or (b) provided that no Event of Default then exists, upon payment in full of the Golf Loan. Furthermore, Lender agrees the partial release provisions applicable upon the sale of Lots as set forth in the Residential Loan Documents will apply with equal force to this Agreement.

8. **Controlling Law.** **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ALABAMA. THE LENDER'S PRINCIPAL PLACE OF BUSINESS IS LOCATED IN JEFFERSON COUNTY IN THE STATE OF ALABAMA, AND THE DANIEL AFFILIATES AGREE THAT THE GOLF LOAN SHALL BE FUNDED FROM AND THIS AGREEMENT**

SHALL BE HELD BY LENDER AT SUCH PRINCIPAL PLACE OF BUSINESS, AND THE HOLDING OF THIS AGREEMENT BY LENDER THEREAT SHALL CONSTITUTE SUFFICIENT MINIMUM CONTACTS OF DANIEL AFFILIATES WITH JEFFERSON COUNTY AND THE STATE OF ALABAMA FOR THE PURPOSE OF CONFERRING JURISDICTION UPON THE FEDERAL AND STATE COURTS PRESIDING IN SUCH COUNTY AND STATE. DANIEL AFFILIATES CONSENT THAT ANY LEGAL ACTION OR PROCEEDING ARISING HEREUNDER MAY BE BROUGHT IN THE CIRCUIT COURT OF THE STATE OF ALABAMA, JEFFERSON COUNTY, ALABAMA OR THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ALABAMA AND ASSENT AND SUBMIT TO THE PERSONAL JURISDICTION OF ANY SUCH COURT IN ANY ACTION OR PROCEEDING INVOLVING THIS AGREEMENT. NOTHING HEREIN SHALL LIMIT THE JURISDICTION OF ANY OTHER COURT.

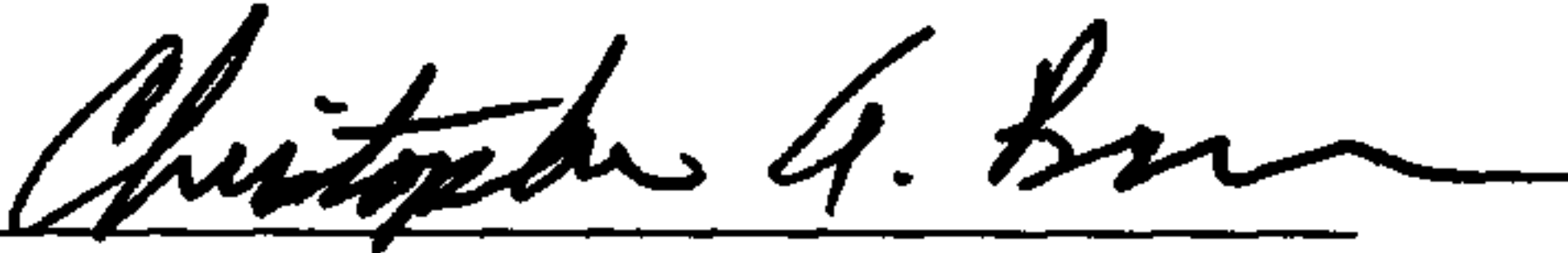
4.08. Waiver of Jury Trial. DANIEL AFFILIATES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY ON ANY CLAIM, COUNTERCLAIM, SETOFF, DEMAND, ACTION OR CAUSE OF ACTION (I) ARISING OUT OF OR IN ANY WAY PERTAINING OR RELATED TO THIS AGREEMENT OR THE LOANS, OR (II) IN ANY WAY CONNECTED WITH OR PERTAINING OR RELATED TO OR INCIDENTAL TO ANY DEALINGS OF LENDER AND DANIEL AFFILIATES WITH RESPECT TO THIS AGREEMENT, THE LOAN DOCUMENTS, OR THE LOANS, OR IN CONNECTION WITH THE TRANSACTIONS RELATED HERETO OR CONTEMPLATED HEREBY OR THE EXERCISE OF ANY PARTY'S RIGHTS AND REMEDIES HEREUNDER, OR THE CONDUCT OF THE RELATIONSHIP OF THE PARTIES HERETO, IN ALL OF THE FOREGOING CASES WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. DANIEL AFFILIATES AGREE THAT LENDER MAY FILE A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED AGREEMENT OF DANIEL AFFILIATES IRREVOCABLY TO WAIVE THEIR RIGHTS TO TRIAL BY JURY, AND THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY DISPUTE OR CONTROVERSY WHATSOEVER BETWEEN DANIEL AFFILIATES AND LENDER SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

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IN WITNESS WHEREOF, the undersigned have caused this Agreement to be properly executed on the day and year first above written.

GREYSTONE GOLF, LLC,
an Alabama limited liability company

BY: DANIEL REALTY CORPORATION,
an Alabama corporation,
Its Manager


By: 
Name: Christopher A. Brown
Its Senior Vice President

GREYSTONE GOLF CLUB, INC.,
an Alabama nonprofit corporation

By: 
Name: Christopher A. Brown
Its Vice President

GREYSTONE DEVELOPMENT COMPANY, LLC, an
Alabama limited liability company


BY: DANIEL REALTY CORPORATION,
an Alabama corporation
Its Manager

By: 
Christopher A. Brown
Its Senior Vice President

[Signatures Continued on Following Page]

**DANIEL OAK MOUNTAIN LIMITED
PARTNERSHIP,**
an Alabama limited partnership

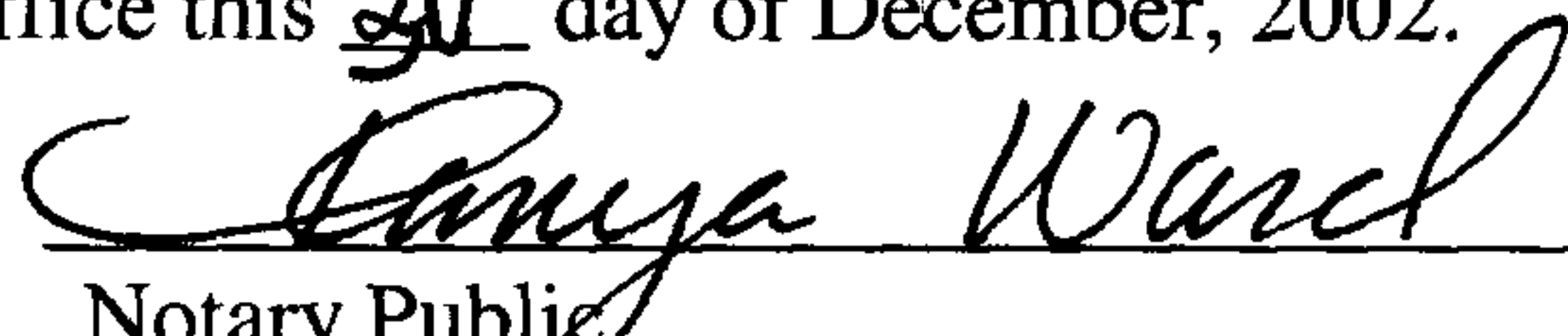
BY: DANIEL REALTY INVESTMENT
CORPORATION--OAK MOUNTAIN,
an Alabama corporation
Its General Partner

BY: 
Christopher A. Brown
Its Senior Vice President

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Christopher A. Brown, whose name as Senior Vice President of DANIEL REALTY CORPORATION, an Alabama corporation, as Manager of GREYSTONE GOLF, LLC, an Alabama limited liability company, is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of said conveyance, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation, acting in its capacity as manager of the aforesaid limited liability company.

Given under my hand and seal of office this 27 day of December, 2002.


Notary Public

[NOTARIAL SEAL]

My commission expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Aug 3, 2005
BONDED THRU NOTARY PUBLIC UNDERWRITERS

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Christopher A. Brown, whose name as Senior Vice President of GREYSTONE GOLF CLUB, INC., an Alabama nonprofit corporation, is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of said conveyance, 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 seal of office this 30 day of December, 2002.

Ranya Ward
Notary Public

[NOTARIAL SEAL]

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Aug 3, 2005
My commission expires: BONDED THRU NOTARY PUBLIC UNDERWRITERS

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Christopher A. Brown, whose name as Senior Vice President of DANIEL REALTY CORPORATION, an Alabama corporation, as Manager of GREYSTONE DEVELOPMENT COMPANY, LLC, an Alabama limited liability company, is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of said conveyance, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation, acting in its capacity as manager of the aforesaid limited liability company.

Given under my hand and seal of office this 30 day of December, 2002.

Ranya Ward
Notary Public

[NOTARIAL SEAL]

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Aug 3, 2005
My commission expires: BONDED THRU NOTARY PUBLIC UNDERWRITERS

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Christopher A. Brown, whose name as Senior Vice President of DANIEL REALTY INVESTMENT CORPORATION--OAK MOUNTAIN, an Alabama corporation, an Alabama corporation, as general partner of Daniel Oak Mountain Limited Partnership, an Alabama limited partnership, is signed to the foregoing conveyance and who is known to me, acknowledged before me on this day that, being informed of the contents of said conveyance, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation, acting in its capacity as general partner of the aforesaid limited partnership.

Given under my hand and seal of office this 30 day of December, 2002.

Ranya Ward
Notary Public

[NOTARIAL SEAL]

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Aug 3, 2005
My commission expires: BONDED THRU NOTARY PUBLIC UNDERWRITERS

EXHIBIT A

RESIDENTIAL LOAN DOCUMENTS

1. Second Amended and Restated Promissory Note dated November 14, 2002 from GDC in favor of Lender;
2. Second Amended and Restated Loan Agreement dated November 14, 2002 between GDC and Lender;
3. Second Amendment and Ratification Agreement dated November 14, 2002 among GDC, Daniel Oak Mountain Limited Partnership ("Daniel Oak Mountain"), Daniel Realty Company ("DRC") and Lender (the "Second Amendment Agreement");
4. Assignment and Pledge of Development Funds and Development Funds Escrow Account dated March 4, 1999 from GDC in favor of Lender, as amended by that certain Amendment and Ratification Agreement among GDC, DRC, and Lender dated December 21, 2000 (the "First Amendment Agreement"), and as further amended by the Second Amendment Agreement.
5. Assignment and Pledge of Lot Contracts, Contract Rights, and Lot Deposits Escrow Account dated March 4, 1999 from GDC in favor of Lender, as amended by the First Amendment Agreement and as further amended by the Second Amendment Agreement.
6. Environmental Indemnity Agreement dated December 21, 2000 from Daniel Oak Mountain and DRC in favor of Lender, as amended by the Second Amendment Agreement.
7. Environmental Indemnity Agreement dated March 4, 1999 from GDC and DRC, as amended by the First Amendment Agreement and as further amended by the Second Amendment Agreement.
8. Guaranty Agreement dated March 4, 1999 from DRC in favor of Lender, as amended by the First Amendment Agreement and as further amended by the Second Amendment Agreement.
9. Mortgage and Security Agreement dated December 21, 2000 from Daniel Oak Mountain in favor of Lender, recorded as Instrument # 2001-02190 in the Office of the Judge of Probate of Shelby County, Alabama, and as further amended by the Second Amendment Agreement.
10. Mortgage and Security Agreement dated March 4, 1999 from GDC and Greystone Golf Club, Inc. in favor of Lender, recorded as Instrument No. 1999-12259 in the Probate Office of Shelby County, Alabama and also recorded as Instrument No. 9904/6681 in the Probate Office of Jefferson County, Alabama, as amended by Partial Release and Release of Co-Mortgagor

dated December 21, 2000, recorded as Instrument No. 2001-02185 in the Probate Office of Shelby County, and as further amended by the Second Amendment Agreement.

11. Subordination of Development Management Agreement dated March 4, 1999 among DRC, GDC, and Lender, as amended by the First Amendment Agreement and as further amended by the Second Amendment Agreement.

EXHIBIT B

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Shelby Cnty Judge of Probate, AL
03/04/2003 08:07:00 FILED/CERTIFIED

GOLF LOAN DOCUMENTS

All dated December 31, 2002

12. Promissory Note in the original principal amount of \$7,000,000 payable by Golf to Lender;
13. Mortgage and Security Agreement from Golf and Club in favor of Lender, recorded in the Probate Office of Shelby County, Alabama;
14. Assignment of Rents and Leases from Golf in favor of Lender, recorded in the Probate Office of Shelby County, Alabama;
15. UCC-1 Financing Statement naming Golf and Club, as debtors, and Lender, as secured party, filed with the Secretary of State of Alabama
16. Assignment and Security Agreement (Purchase Option) from Golf in favor of Lender;
17. UCC-1 Financing Statement naming Golf, as debtors, and Lender, as secured party, filed with the Secretary of State of Alabama;
18. Assignment and Security Agreement (Management Agreement) from Greystone Golf Manager, LLC in favor of Lender;
19. UCC-1 Financing Statements naming Greystone Golf Manager, LLC, as debtor, and Lender, as secured party, filed with the Secretary of State of Alabama;
20. Subordination, Nondisturbance, and Attornment Agreement among Golf, Greystone Golf Club, Inc., and Lender;
21. Guaranty Agreement from Daniel Realty Company ("DRC") in favor of Lender;
22. Environmental Indemnity Agreement from Golf and DRC in favor of Lender.