

This Instrument Prepared By:
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RENEWAL MORTGAGE AND SECURITY AGREEMENT
(Borrowing Base Facility Master Alabama Mortgage – Adams Homes)

THIS MORTGAGE AND SECURITY AGREEMENT (the "**Mortgage**"), dated as of April 12, 2006, is executed and delivered by ADAMS HOMES, LLC, an Alabama limited liability company (the "**Mortgagor**"), having its principal place of business at 3000 Gulf Breeze Parkway, Gulf Breeze Florida 32563, to OHIO SAVINGS BANK, a federal savings bank (the "**Mortgagee**"), having its principal place of business at 200 Ohio Savings Plaza, 1801 East Ninth Street, Cleveland, Ohio 44114, under the circumstances summarized in the following recitals:

WHEREAS, Mortgagee is the owner and holder of that certain Second Amended and Restated Secured Revolving Renewal Promissory Note from Mortgagor and Adams Homes of Northwest Florida, Inc., a Florida corporation (whom together with Mortgagor shall hereinafter be collectively referred to as the "Borrower"), in favor of Mortgagee dated as of July 1, 2003, in the original principal amount of Fifty Million and No/100 Dollars (\$50,000,000.00) (the "**OSB Note A**"), which note is secured by that certain Mortgage and Security Agreement (with Assignment of Rents and Leases and Assignment of Agreements Affecting Real Estate) recorded in Book 5358, Page 1450, together with Notice of Future Advance and Mortgage Modification Agreement recorded in Book 5453, Page 1777, of the Probate Records of Mobile County, Instrument Number 675279, together with Notice of Future Advance and Mortgage Modification Agreement recorded as Instrument Number 752236, of the Records of the Judge of Probate of Baldwin County, Book Number 2003, Page 8186, together with Notice of Future Advance and Mortgage Modification Agreement recorded in Book 2003, Page 84672 of the Records of the Judge of Probate of Limestone County, Book 3037, Page 1122, together with a Notice of Future Advance and Mortgage Modification Agreement recorded in Book 3484, Page 388, of the Records of the Judge of Probate of Madison County, Document Number 20050815000418600, together with a Notice of Future Advance and Mortgage Modification Agreement recorded as Document Number 20050815000418600 in the Records of the Judge of Probate of Shelby County, all in the State of Alabama, as modified, spread and amended from time to time (collectively, the "**OSB Mortgage A**");

WHEREAS, Mortgagee is the owner and holder of that certain Revolving Mortgage Note from Borrower, in favor of Mortgagee dated as of April 19, 2004, in the original principal amount of Twenty Million and No/100 Dollars (\$20,000,000.00) (the "**OSB Note B**", and together with the OSB Note A, collectively, the "**Existing OSB Notes**"), which note is secured by those certain Mortgages recorded in various counties in Florida, as modified, spread and amended from time to time (collectively, the "**OSB Mortgage B**", and together with the OSB Mortgage A, collectively, the "**Existing OSB Mortgages**");

This Mortgage secures a revolving indebtedness in the maximum amount of \$27,500,000.00.

WHEREAS, Mortgagee is the owner and holder of that certain Consolidation and Renewal Revolving Line of Credit Mortgage Note from Borrower in favor of Washington Mutual Bank, FA ("**WAMU**") dated as of July 28, 2004, in the original principal amount of Forty Million and No/100 Dollars (\$40,000,000.00) (the "**WAMU Note**"), which note is secured by that certain WAMU Mortgage (as defined herein), as assigned to Mortgagee pursuant to the terms of that certain Assignment of Note and Mortgage from WAMU in favor of Mortgagee (the "**Assignment**");

WHEREAS, Mortgagee is the owner and holder of that certain Mortgage and Security Agreement made by Mortgagor in favor of WAMU and recorded in Instrument Number 835443 in the Office of the Judge of Probate in Baldwin County, recorded in Real Property Book 5645, Page 1046 in the Office of the Judge of Probate in Mobile County, recorded in Document Number 20040823000317290, in the Office of the Judge of Probate in Madison County, all in the State of Alabama, as modified, spread and amended from time to time (collectively, the "**WAMU Mortgage**"), as assigned to Mortgagee pursuant to the terms of the Assignment;

WHEREAS, the Existing OSB Notes and the WAMU Note, concurrently with the execution of this Mortgage, are being renewed and consolidated by Borrower's execution in favor of Mortgagee of a certain Renewal Revolving Mortgage Note of even date herewith in the amount of One Hundred Ten Million and No/100 DOLLARS (\$110,000,000.00) (the "**Renewal Note**") which evidences the renewal of the Existing OSB Notes and the WAMU Note, each of which represents a revolving loan obligation; and

WHEREAS, the parties hereto have agreed to modify and renew and consolidate the Existing OSB Mortgages and the WAMU Mortgage to secure the Renewal Note and to otherwise modify the terms, conditions, covenants and provisions of the Existing OSB Mortgages and the WAMU Mortgage as hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Mortgagor and Mortgagee hereby agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by reference as if fully set forth at length.

2. This Mortgage is being executed and delivered to secure the prompt payment of the Alabama Advances only, together with interest on the Alabama Advances and certain fees, charges, costs, expenses and other amounts secured by this Mortgage as hereinafter described, with such "Alabama Advances" being each and every advance under the Note (as defined hereinafter) made from time to time by Mortgagee to Mortgagor pursuant to the Loan Documents (as defined hereinafter) with respect to real property only in Alabama and any improvements located or to be constructed thereon together with and including all future advances with interest thereon and any extensions, renewals, modifications or amendments of same and further to secure the performance of each of the Loan Documents. The maximum principal amount of Alabama Advances that may be outstanding at any time will not exceed \$27,500,000.

3. The Existing OSB Mortgages and the WAMU Mortgage are hereby modified to secure the Renewal Note (and certain other obligations and indebtedness, as hereinafter provided) and are hereby renewed, consolidated and restated in their entirety to state as follows:

A. In consideration for a revolving line of credit in the amount of One Hundred Ten Million and No/100 DOLLARS (\$110,000,000.00) (the "**Loan**") made by Mortgagee to Mortgagor,

Mortgagor has executed and delivered to Mortgagee a certain Renewal Revolving Mortgage Note of even date herewith in the principal amount of the Loan as aforesaid (the "**Note**");

B. This Mortgage secures the payment of the unpaid principal balance of the Note, as to the Alabama Advances only, together with interest thereon as therein provided and all modifications, amendments, replacements, renewals and extensions of the Note and any other obligations of the Mortgagor pursuant to said Note, this Mortgage, the Loan Agreement of even date herewith between Mortgagor and Mortgagee (the "**Agreement**") and any other documents or instruments evidencing or securing the Loan or otherwise executed in connection with the Loan and any partial or total extensions, renewals, modifications, amendments, restatements or substitutions thereof or therefor (collectively referred to herein as the "**Loan Documents**"); and

C. It is intended that this Mortgage may secure unpaid balances of Alabama Advances made after this Mortgage is recorded in the Offices of the Judge of Probate in various counties from time to time in the State of Alabama.

NOW, THEREFORE, in consideration of the Loan made by Mortgagee to Borrower, as evidenced by the Note, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the purpose of securing: (i) all payments to be made by the Borrower pursuant to the Note (as to the Alabama advances only), the Mortgage and/or any other Loan Document, (ii) any future or additional advances made at the option of Mortgagee as contemplated herein, (iii) any amounts advanced or costs incurred by the Mortgagee for the protection of the Mortgaged Property (as hereinafter defined) or the enforcement of this Mortgage, the Note, the Agreement and/or any other Loan Document, (iv) any other cost or expense which, by the terms of this Mortgage, the Note, the Agreement and/or any other Loan Document, may be the subject of reimbursement to Mortgagee by Mortgagor, and (v) the performance and observance of each covenant and agreement of the Mortgagor contained in this Mortgage, the Note, the Agreement and/or any other Loan Document, the Mortgagor does hereby grant, bargain, sell, convey, mortgage, assign, grant a security interest in and transfer unto the Mortgagee, its successors and assigns, the following property whether now owned or hereafter acquired (the "**Mortgaged Property**");

- (a) The land encumbered by the Existing OSB Mortgages and the WAMU Mortgage, less all portions thereof which have been subsequently released from time to time together with the real property described on Exhibit "A" attached hereto and incorporated herein (the "**Land**"), together with all buildings, structures, additions, improvements, facilities and fixtures and other property, now or hereafter located in, upon or under or based at, such land (the "**Premises**");
- (b) All easements, rights of way or use, licenses, privileges, franchises, servitudes, tenements, hereditaments and appurtenances now or hereafter belonging or in anyway appertaining thereto, including, without limitation, all right, title and interest of the Mortgagor in any street, alley, sidewalk, open or proposed, and in front of, adjoining or adjacent or contiguous thereto, and all rights and estates in reversion or remainder;
- (c) All leases, rentals, revenues, payments, repayments, income, charges, moneys, issues and profits thereof;
- (d) The proceeds from any insurance or condemnation award pertaining thereto, or compensation in lieu thereof, including but not limited to any award or compensation for the alteration of the grade of any street or any other injury to or decrease in the value of the Mortgaged Property;

- (e) All of Mortgagor's right, title, interest, estate, claim or demand, either at law or in equity, in and to all architectural, engineering and similar plans, specifications, drawings, renderings, profiles, studies, shop drawings, reports, plats, permits, surveys and the like, and all sewer taps, permits and allocations, agreements for utilities, bonds, sureties and the like, relating to the Premises or appurtenant facilities erected or to be erected upon or about the Land;
- (f) All proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, the proceeds of insurance;
- (g) All contracts and other agreements for the sale of any of the Mortgaged Property or any part thereof or interest therein now or hereafter entered into by Mortgagor, and all right, title and interest of Mortgagor thereunder, including, without limitation, all right, title and interest of Mortgagor in cash or securities deposited thereunder to secure performance by the contract purchasers of their obligations thereunder, and including, without limitation, the right to receive and collect the proceeds thereof;
- (h) All of Mortgagor's rights, powers and privileges (but not the burdens and obligations) under any construction contract or architect's (or engineer's) agreement now or hereafter entered into by Mortgagor relating to the Mortgaged Property, and all bonds and surety agreements related thereto;
- (i) All contracts and other agreements, if any, relating to the sale, lease, brokerage, development, management, maintenance and/or operation of the Mortgaged Property (or of any part thereof or interest therein) or otherwise pertaining thereto, including without limitation franchise agreements;
- (j) All rights of Mortgagor under any commitment for any other loan secured by the Mortgaged Property or any part thereof or interest of Mortgagor therein;
- (k) All right, title and interest of Mortgagor in all tradenames, trademarks and/or servicemarks hereinafter used in connection with the Mortgaged Property and all contract rights and contracts, franchise agreements, general intangibles, actions and rights of action, deposits, prepaid expenses, permits, licenses owned by Mortgagor and used in connection with or related to the Mortgaged Property;
- (l) All machinery, apparatus, equipment, fittings, fixtures, inventory, appliances, furniture and articles of personal property of every kind and nature whatsoever, other than consumable goods, now or hereafter located in or upon said Premises or any part thereof owned by Mortgagor and used or useable in connection with any present or future operation of said Premises (herein collectively called "**Equipment**"), including, but without limiting the generality of the foregoing, all heating, lighting, laundry, incinerating, plumbing, lifting, cleaning, fire-prevention, fire-extinguishing, refrigerating, ventilating, communications, air-conditioning and air-cooling equipment or apparatus, engines, pipes, pumps, tanks, motors, conduits, switchboards, elevators, escalators, shades, awnings, screens, storm doors and windows, stoves, wall beds, refrigerators, attached cabinets, partitions, ducts and compressors, and all of the right, title and interest of the Mortgagor in and to any Equipment which may be subject to any conditional bill of sale, chattel mortgage or security interest superior to the lien or security interest established by this Mortgage; and
- (m) All proceeds, additions, replacements and substitutions of and to any of the foregoing.

TO HAVE AND TO HOLD the Mortgaged Property unto the Mortgagee, its successors and assigns, forever;

PROVIDED, HOWEVER, that this Mortgage is upon the condition that, if the Mortgagor shall pay or cause to be paid to the Mortgagee the principal amount of the Alabama Advances, with interest, and other indebtedness (including future advances) from time to time secured hereby, at the times and in the manner stipulated in the Note, the Agreement, this Mortgage and other Loan Documents, all without any deduction or credit for taxes or other similar charges paid by the Mortgagor, and shall keep, perform, and observe all and singular the covenants and promises in the Note, in the Agreement, in this Mortgage and in other Loan Documents expressed to be kept, performed, and observed by and on the part of Mortgagor, all without fraud or delay, and any right to request or obtain additional advances from Mortgagee shall have terminated, then this Mortgage, and all the properties, interests, and rights hereby granted, bargained, and sold shall cease, determine, and be void, but shall otherwise remain in full force and effect.

AND, IT IS HEREBY COVENANTED that this Mortgage is given and the Mortgaged Property is to be held upon and subject to the terms, provisions and conditions herein set forth.

Section 1. Representations and Warranties. The Mortgagor represents and warrants that (i) The Mortgagor is lawfully seized with good and marketable title in fee simple absolute to the Mortgaged Property free and clear of all liens and encumbrances whatsoever, except taxes and assessments general and special not delinquent, zoning ordinances and except for those matters approved by Mortgagee from time to time (hereinafter "**Permitted Prior Encumbrances**"), and has good and marketable title to all personal property included in the Mortgaged Property, subject only to the Permitted Prior Encumbrances; (ii) it has full right, power and authority to bargain, sell, mortgage and convey the Mortgaged Property as herein provided; and (iii) except as expressly provided above, it will warrant and defend to the Mortgagee such title to the Mortgaged Property and the lien and interest of the Mortgagee therein and thereon against all claims and demands whatsoever and will maintain the priority of the lien of, and the security interest granted by, this Mortgage upon the Mortgaged Property until the Mortgagor shall be entitled to defeasance as provided herein.

Section 2. After-Acquired Property. All property of every kind acquired by the Mortgagor after the date hereof, and located at, on or under the Premises, shall, without further mortgage, conveyance or assignment, become subject to the lien of this Mortgage as fully as though now owned by the Mortgagor and specifically described herein. Nevertheless, the Mortgagor shall take such actions and execute and deliver such additional instruments as the Mortgagee shall reasonably require to further evidence or confirm the subjection to the lien of this Mortgage of any such property.

Section 3. Payment of Indebtedness. Mortgagor will pay the indebtedness secured hereby in the manner and at the times provided herein and/or in the Note or any other Loan Document, and, until the indebtedness secured hereby is fully paid, will comply with all the covenants, terms and provisions contained herein, in the Agreement and in any other Loan Documents.

Section 4. Revolving Loan Advances. Advances made under the Note shall be in the form of a continual revolving credit whereby advances may be made, repaid and readvanced from time to time. The Mortgagee shall maintain an account on its books (the "**Loan Account**"), which shall evidence at all times the amount from time to time outstanding under the Note. This Mortgage secures the unpaid balances of any advances or readvances made under the Note, this Mortgage, the Agreement or any other Loan Document after this Mortgage has been delivered to the appropriate County Officer for recordation. It is also expressly provided for and agreed that this Mortgage secures said future advances and readvances, whether such advances and readvances are obligatory or to be made at the option of Mortgagee or otherwise, to the same extent as if such future advances and readvances were made on the date of the execution of this Mortgage although



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there may be no advance made at the time of execution of this Mortgage or no indebtedness outstanding at the time any advance or readvance is made. All provisions of this Mortgage shall apply to any future advances or readvances made pursuant to the provisions of this Section. Nothing herein contained shall limit the amount secured by this Mortgage if such amount is increased by advances made by Mortgagee as herein elsewhere provided.

Section 5. Continuing Lien. Mortgagor expressly agrees that any and all of the Mortgaged Property, howsoever and whensoever acquired, received or arising, shall secure any and all obligations, howsoever and whensoever incurred, without apportionment between obligations of the Borrowers to Mortgagee under or with respect to any of the Loan Documents. Accordingly, all of the Mortgaged Property is mortgaged, assigned and conveyed, and a security interest in favor of Mortgagee is granted therein, to secure (a) the entire indebtedness which may be owed to the Mortgagee from time to time pursuant to the Note or any other Loan Document, and (b) all other obligations of the Borrowers under or with respect to any of the Loan Documents, and in no manner shall the rights of the Mortgagee in all or any portion of the Mortgaged Property be limited by virtue of the fact that any portion of the Mortgaged Property may have been (1) mortgaged, assigned and conveyed to Mortgagee, or a security interest in favor of Mortgagee granted therein, or (2) placed in the possession or control of the Mortgagee ancillary to the making of a particular advance hereunder or the incurrence of any other obligation, and Mortgagee shall have the right, in its sole and absolute discretion, to determine the order in which its rights in or remedies against any Mortgaged Property are to be exercised, which type(s) or portion(s) of Mortgaged Property are to be proceeded against, and the order of application of proceeds of Mortgaged Property as against any particular obligations.

Upon the sale, exchange or other disposition of any of the Mortgaged Property, the lien and security interest created and provided for herein shall, without break in continuity and without further formality or act, continue in and attach to the instruments for the payment of money, accounts receivable, contract rights and all other cash and non-cash proceeds of such sale, exchange or disposition. The Mortgagee's right to proceeds specifically set forth herein or indicated in any financing statement shall never constitute an express or implied authorization on the part of the Mortgagee to Borrowers' sale, exchange or other disposition of any or all of the Mortgaged Property except as expressly authorized in the Loan Documents or consented to in writing by Mortgagee.

The lien, security interests and rights granted to the Mortgagee hereunder shall continue in full force and effect until expressly released by Mortgagee, notwithstanding the termination of the line of credit provided in the Note and Agreement or the fact that the Loan Account may from time to time be temporarily in a credit position.

Section 6. Hazardous Substances.

(a) Mortgagor hereby warrants and represents that neither Mortgagor nor, to the best of Mortgagor's knowledge, after due inquiry, any other person or entity has ever generated, used or disposed of any Hazardous Substance (as defined below) from or in connection with the Mortgaged Property or used the Mortgaged Property as a storage facility for any Hazardous Substance.

(b) Mortgagor hereby agrees to indemnify Mortgagee and hold Mortgagee harmless from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' and paralegals' fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, Mortgagee by any person or entity or governmental agency for, with respect to, or as a direct or indirect result of, the presence, usage, storage, generation or disposal on or under or in connection with the Mortgaged Property, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Mortgaged Property, of any Hazardous Substance (including, without limitation, any losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable

attorneys' and paralegals' fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, under any so called Federal, state or local "superfund" or "superlien" law, or under any statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability, or standards of conduct concerning any Hazardous Substance), regardless of whether within the control of Mortgagee.

(c) For purposes of this Section 6, "**Hazardous Substance**" shall mean and include those elements or compounds which are from time to time contained in the list of hazardous substances adopted by the United States Environmental Protection Agency ("**EPA**") and the list of toxic pollutants designated by Congress or the EPA or defined by any other Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material as now or at any time hereafter in effect.

(d) If Mortgagor receives any notice of (i) the happening of any event involving the spill, release, leak, seepage, discharge or cleanup of any Hazardous Substance on or in connection with the Mortgaged Property or in connection with operations thereon or (ii) any complaint, order, citation or notice with regard to air emissions, water discharges, or any other environmental, health or safety matter affecting or related to the Mortgaged Property (an "**Environmental Complaint**") from any person or entity (including without limitation the EPA), then Mortgagor shall immediately notify Mortgagee orally and in writing of said notice.

(e) Mortgagee shall have the right but not the obligation, and without limitation of Mortgagee's rights under this Mortgage, to enter onto the Mortgaged Property or to take such actions as Mortgagee deems necessary or advisable to cleanup, remove, resolve or minimize the impact of, or otherwise deal with, any such Hazardous Substance or Environmental Complaint following receipt of any notice from any person or entity (including without limitation the EPA) asserting the existence of any Hazardous Substance or any Environmental Complaint pertaining to the Mortgaged Property or any part thereof which, if true, could result in an order, suit or other action against Mortgagor and/or which, in the absolute and sole opinion of Mortgagee, could jeopardize Mortgagee's security under this Mortgage. All reasonable costs and expenses incurred by Mortgagee in the exercise of any such rights shall be secured by this Mortgage and shall be payable by Mortgagor upon demand.

(f) Mortgagee shall have the right, in its reasonable discretion, to require Mortgagor to periodically (but not more frequently than annually unless an Environmental Complaint is then outstanding or following the occurrence of an Event of Default under this Mortgage or to comply with any regulatory requirement) perform (at Mortgagor's expense) an environmental audit and, if deemed necessary by Mortgagee, an environmental risk assessment, each of which must be satisfactory to Mortgagee, of the Mortgaged Property, of hazardous waste management practices and/or hazardous waste disposal sites used in connection with operations conducted at the Mortgaged Property. Said audit and/or risk assessment must be an environmental consultant reasonably satisfactory to Mortgagee. Should Mortgagor fail to perform said environmental audit and/or risk assessment within thirty (30) days of Mortgagee's written request, Mortgagee shall have the right but not the obligation to retain an environmental consultant to perform said environmental audit and/or risk assessment. All costs and expenses incurred by Mortgagee in the exercise of such rights shall be secured by this Mortgage and shall be payable by Mortgagor upon demand or charged to Mortgagor's loan balance at the discretion of Mortgagee.

(g) Any breach of any warranty, representation or agreement contained in this Section 6 shall be an Event of Default under this Mortgage and shall entitle Mortgagee to exercise any and all remedies provided in this Mortgage or otherwise permitted by law. The provisions of this Section 6

shall survive satisfaction, release or foreclosure of this Mortgage and shall inure to the benefit of any transferee of title to the Mortgaged Property through foreclosure of the Mortgage or any Loan Document or through deed in lieu thereof (but only to the extent such transferee is Mortgagee, its successor, an assignee of the Note, a participant of any of the foregoing or an affiliate or entity related to any of the foregoing).

Section 7. Commercial Code and Financing Statement This Mortgage constitutes a security agreement, and creates a security interest as to all or any part of the Mortgaged Property which is of a nature that a security interest therein can be created and perfected under the Uniform Commercial Code from time to time in effect in the State of Alabama, and all replacements and additions thereto and substitutions and proceeds thereof. Mortgagee shall have all remedies of a secured party under the Uniform Commercial Code with respect to any property subject to the security interest created pursuant to this Section. This Mortgage also constitutes a financing statement with respect to any and all property included in the Mortgaged Property which is or may become fixtures. Mortgagor hereby authorizes Mortgagee to file carbon, photographic or other reproduction of a financing statement, and any such filing shall constitute a sufficient financing statement under the Uniform Commercial Code. Mortgagor specifically authorizes Mortgagee to file any financing statement contemplated by this Mortgage without Mortgagor's signature.

Section 8. Maintenance and Use of Mortgaged Property. The Mortgagor at its expense, shall keep the Mortgaged Property in good order and in a clean and safe condition (ordinary wear and tear excepted) and shall make all necessary or appropriate repairs, replacements, restorations and renewals thereof, interior, exterior, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen. The Mortgagor will not do, or permit to be done, any act or thing which might impair the value or usefulness of the Mortgaged Property or any part thereof, will not commit or permit any waste of the Mortgaged Property or any part thereof, and will not permit any unlawful occupation, business or trade to be conducted on the Mortgaged Property or any part thereof. The Mortgagor shall also, at its expense, promptly comply with all rights of way, privileges, franchises, servitudes, licenses, easements, tenements, hereditaments, restrictions of record and appurtenances being a part of, or burdening, the Mortgaged Property.

Section 9. Compliance with Legal and Insurance Requirements. The Mortgagor, at its expense, shall promptly comply with all Legal Requirements and Insurance Requirements, and shall procure, maintain and comply with all permits, licenses and other authorizations required for the construction, installation, operation, maintenance and use of the Mortgaged Property. As used in this Section, "**Legal Requirements**" means all laws, statutes, codes, acts, ordinances, resolutions, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governmental entities, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen and unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Mortgaged Property or any part thereof, or any use or condition of the Mortgaged Property or any part thereof. As more fully set forth in and to the extent required by Section 15.7 of the Agreement, "**Insurance Requirements**" means all provisions of any insurance policy covering or applicable to the Mortgaged Property or any part thereof, all requirements of the issuer of any such policy, and all orders, rules, regulations and other requirements of the National Board of Fire Underwriters (or any other body exercising similar functions) applicable to or affecting the Mortgaged Property or any part thereof, or any use or condition thereof. The Mortgagor may, at its expense and after prior written notice to the Mortgagee, contest in good faith by appropriate legal proceedings any Legal Requirement and postpone compliance therewith pending the resolution or settlement of such contest provided that (i) such postponement does not, in the reasonable opinion of the Mortgagee, adversely affect the condition, or value of, or the lien of this Mortgage as to, any part of the Mortgaged Property, and (ii) the Mortgagor shall deposit in escrow with the Mortgagee pending such contest moneys sufficient in amount to cover the cost of compliance with Legal Requirement so contested.

Section 10. Alterations, Additions and Demolition. The Mortgagor may, at its expense, make from time to time any additions, modifications or improvements to the Mortgaged Property provided that no additions, modifications or improvements involving an expenditure in excess of \$20,000 shall be made without the prior written consent of the Mortgagee and further provided that the proposed work shall not adversely affect the structural integrity or strength of any improvements constituting a part of the Mortgaged Property or materially interfere with the use and operation thereof. If so requested, Mortgagor shall submit to the Mortgagee the opinion of a licensed engineer satisfactory to Mortgagee. All additions, modifications and improvements so made by the Mortgagor shall become or be deemed to constitute a part of the Mortgaged Property. No building or improvements or any part thereof may be removed or demolished without the prior written consent of the Mortgagee. Notwithstanding anything to the contrary herein, no consent shall be required for construction of the improvements contemplated by the Agreement.

Section 11. Substitutions and Removals. If any item of personal property constituting a part of the Mortgaged Property becomes inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary or should be replaced, the Mortgagor may remove such item provided that the Mortgagor shall either:

(a) prior to or simultaneously with such removal, substitute and install as part of the Mortgaged Property property having equal or greater value (but not necessarily the same function) in the operation of the Mortgaged Property, which such substituted property shall be free from all liens and encumbrances (other than Permitted Prior Encumbrances) and shall become part of the Mortgaged Property; or

(b) in the case of removal of property without substitution, promptly pay to the Mortgagee an amount equal to (i) the proceeds of such sale or the scrap value thereof, if the removed property is sold or scrapped, or (ii) if the removed property is used as a trade-in for property not to be installed as part of the Mortgaged Property, the trade-in credit received by the Mortgagor, or (iii) in the case of the retention of such removed property by the Mortgagor for other purposes, the fair market value of such property, as determined by a licensed engineer satisfactory to Mortgagee.

The Mortgagor shall promptly report to the Mortgagee each such removal, sale or other disposition and shall pay to the Mortgagee such amounts as are required by the provisions of the preceding subsection (b) of this Section promptly after the sale, trade-in or other disposition requiring such payment; provided that no such report and payment need be made until the amount to be paid to the Mortgagee on account of all such sales, trade-ins or other dispositions not previously reported aggregates at least \$5,000 in any consecutive twelve-month period. The Mortgagee shall apply such moneys to the payment of principal installments on the Note as provided therein.

Section 12. Payment of Taxes and Other Governmental Charges. The Mortgagor shall pay promptly when due all taxes, assessments (whether general or special), and other governmental charges of any kind whatsoever, foreseen or unforeseen, ordinary or extraordinary, that now or may at any time hereafter be imposed, assessed or levied against or with respect to the Mortgaged Property or any part thereof (including, without limitation, any taxes levied upon or with respect to the revenues, income or profits of the Mortgagor from the Mortgaged Property) or upon the Mortgagee's interest therein (without regard to any law heretofore or hereafter enacted imposing payment of the whole or any part thereof upon the Mortgagee) before same become delinquent. Within five (5) Business Days (as defined herein) after receipt of evidence of payment of real estate taxes or assessments relating to the Mortgaged Property, Mortgagor shall deliver to Mortgagee evidence of such payment in form and substance satisfactory to Mortgagee. Mortgagor shall pay any and all documentary stamps and intangible taxes which may be due with respect to any advance or readvance of loan proceeds. If at any time any agency of the State of Alabama shall determine that

the documentary stamps affixed to the Note or the intangible personal property taxes affixed to the Mortgage are insufficient or if no documentary stamps or intangible personal property taxes have been affixed and that such stamps or taxes should thereafter be affixed, the Mortgagor shall pay for the same, together with any interest or penalties imposed in connection with such determination and the amount of money needed to pay for such stamps and taxes and penalties shall, until such stamps and taxes are purchased and affixed, be a portion of the indebtedness secured hereby and bear interest from the date of such determination at the rate set forth in the Note applicable to a period when default exists thereunder.

If at any time applicable law shall require Internal Revenue Stamps to be affixed to the Note, Mortgagor shall pay for the same, together with any interest or penalties imposed in connection therewith. In the event of the passage after the date of this Mortgage of any Federal, state or local law, deducting from the value of real property for the purposes of taxation any lien thereon, or changing in any way the laws of or the taxation of mortgages or debts secured by mortgages for Federal, State or local purposes, or the manner of the collection of any such taxes, and imposing a tax, either directly or indirectly, on this Mortgage, the Note, any other indebtedness secured hereby or any instrument securing the indebtedness secured hereby, the holder of this Mortgage and of the debt which it secures shall have the right to declare the debt secured by this Mortgage and any interest thereon due on a date to be specified by not less than thirty (30) days written notice to be given to the Mortgagor by the Mortgagee, provided, however, that such election shall be ineffective if the Mortgagor is permitted by law to pay the whole of such tax in addition to all other payments required hereunder and if the Mortgagor, prior to such specified date, does pay such tax and agrees to pay any such tax when thereafter levied or assessed against the Mortgaged Property, and such agreement shall constitute a modification of this Mortgage.

The Mortgagor may, at its expense and after prior notice to the Mortgagee, by appropriate proceedings diligently prosecuted, contest in good faith the validity or amount of any such taxes, assessments and other charges and, during the period of such contest, permit the items so contested to remain unpaid. However, if at any time the Mortgagee shall notify the Mortgagor that, in its reasonable opinion, by nonpayment of any such items the lien of the Mortgage as to any part of the Mortgaged Property will be adversely affected, or the nonpayment of any such items will result in the creation of a lien upon the Mortgaged Property, the Mortgagor shall promptly pay such taxes, assessments or charges. During the period when the taxes, assessments or other charges so contested remain unpaid, the Mortgagor shall deposit in escrow with the Mortgagee moneys equal in amount to the amount of such contested taxes, assessments or charges.

Section 13. Required Insurance Coverage.

(a) All insurance required to be obtained and maintained pursuant to the Agreement shall be obtained from generally recognized, responsible insurance companies qualified or licensed to transact such business in the State of Florida, Alabama or Mississippi (as applicable) and otherwise satisfactory to the Mortgagee. Each policy of insurance shall not be subject to cancellation or substantial modification without at least thirty (30) days prior written notice to the Mortgagee.

(b) Mortgagor shall obtain and maintain the insurance and pay, as they come due, all related premiums (if any) in accordance with the terms and conditions set forth in Section 15.7 of the Agreement. To the extent a policy of insurance is required by Section 15.7 of the Agreement, Mortgagor shall deposit with the Mortgagee all such policies of insurance or, at the option of the Mortgagee, binders, certificates or other evidence satisfactory to the Mortgagee that (i) the insurance required hereby has been obtained and is in full force and effect, and (ii) all premiums thereon have been paid in full. Prior to the expiration of any such required insurance, the Mortgagor shall furnish the Mortgagee with evidence satisfactory to the Mortgagee that such required insurance has been

renewed or replaced and that all premiums thereon have been paid in full, and all insurance policies required hereby are in full force and effect.

(c) To the extent a policy of insurance is required by Section 15.7 of the Agreement and subject to Section 18 hereof, Mortgagor hereby assigns to the Mortgagee all of the Mortgagor's right, title and interest in and to all such policies of insurance and in and to any insurance proceeds resulting therefrom to the full extent of the indebtedness secured hereby, authorizes the Mortgagee to collect, adjust and compromise any claims under any such insurance policies, and further authorizes and directs the insurer to pay any and all such proceeds directly to the Mortgagee. The Mortgagee may, at its option, collect, adjust and compromise any claims under any such insurance policies. In the event of a foreclosure of this Mortgage, the purchaser of the Mortgaged Property shall succeed to all the rights of the Mortgagor (including any right to unearned premiums) in and to all policies of insurance assigned to the Mortgagee pursuant hereto.

(d) Mortgagor shall maintain or cause to be maintained in connection with the Mortgaged Property any workers' compensation coverage required by the laws of the State of Alabama. If the Mortgaged Property is used for (1) manufacturing purposes, or (2) any purpose involving the use of machinery, mobile or production equipment, tank storage, or the production of any gases, chemicals, or any use other than general office, apartment living or storage purposes only, Mortgagor shall also maintain liability insurance coverage to insure against any liability risks not covered by workers' compensation coverage.

Section 14. Taxes and Insurance Premiums. In order to more fully protect the security of this Mortgage, if the Mortgagee shall so elect at any time after the occurrence of an Event of Default or an event which with notice or lapse of time or both would constitute an Event of Default, Mortgagor shall pay to Mortgagee, together with and in addition to each payment of principal and interest required by the Note, one-twelfth (1/12th) of the amount (as estimated by the Mortgagee) of the annual taxes and annual insurance premiums next becoming due and payable with respect to the Mortgaged Property and the policies of insurance referred to in this Mortgage, and Mortgagor shall also pay to the Mortgagee on demand therefor the amount by which the actual taxes and insurance premiums exceed payments actually made pursuant hereto. Any unpaid balance of advances by Mortgagee for taxes and/or insurance premiums shall bear interest at the Default Rate (as hereinafter defined) and, together with such interest, shall be secured by this Mortgage. The Mortgagee shall not be considered to be a fiduciary with respect to any amounts paid to or received by it pursuant to the terms of this Section and shall not be liable for the payment of interest on all or any part of such funds.

Section 15. Disposition of Mortgaged Property; Liens and Encumbrances. Except as expressly permitted by the Agreement and Sections 11, 19 and 49 of this Mortgage, the Mortgagor shall not sell, convey, assign, transfer, lease, or dispose of all or any part of the Mortgaged Property, or any interest therein, or enter into any agreement for any of the foregoing, in each case without the prior written consent of the Mortgagee. The Mortgagor shall not directly or indirectly create or permit to remain, and will promptly discharge, any mortgage, lien, encumbrance or charge on, pledge of, security interest in or conditional sale or other title retention agreement with respect to all or any part of the Mortgaged Property, or any interest therein, or any revenues, income or profit or other sums arising from the Mortgaged Property or any part thereof (including, without limitation, any lien, encumbrance or charge as a result of operation of law) other than: (i) the lien and security interest of this Mortgage; (ii) liens for taxes, assessments and other governmental charges which are not at the time required to be paid pursuant to Section 12 hereof; (iii) liens of mechanics', materialmen, suppliers or vendors or rights thereto to the extent permitted by Section 16 hereof; and (iv) the Permitted Prior Encumbrances specified in Section 1 hereof, if any.



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Section 16. Construction and Other Liens. The Mortgagor shall not permit any construction, mechanics' or other liens to be filed or to exist against the Mortgaged Property or any part thereof, and the Mortgagor shall, within sixty (60) days after notice of the filing of any such lien, cause the same to be discharged of record by payment, deposit, bond, order of a Court of competent jurisdiction or otherwise.

Section 17. No Claims Against Mortgagee. Nothing contained in this Mortgage shall be construed as a request by the Mortgagee, expressed or implied, for the performance of any labor or services or the furnishing of any materials or other property with respect to the Mortgaged Property or any part thereof, or be construed to give the Mortgagee any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property with respect to the Mortgaged Property or any part thereof, or be construed to give the Mortgagor any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any material or other property on behalf of Mortgagee, or in such manner as to provide the basis for any claim either against the Mortgagee or that any lien based on the performance of such labor or services or the furnishing of any such material or other property is prior to the lien of this Mortgage.

Section 18. Damage, Destruction, Eminent Domain.

(a) Mortgagor shall promptly notify Mortgagee in writing of any damage to or destruction of any part of the Mortgaged Property, including a description of the nature, extent and date of the damage, the estimated cost of repair, and estimated net proceeds of insurance, if any. Mortgagor shall promptly notify Mortgagee in writing of any proposed, threatened or actual taking or injury to any part of the Mortgaged Property pursuant to use of the power of eminent domain, including a description of the nature, extent and date of the taking or proposed taking and the estimated net proceeds of the condemnation award, or price for conveyance under threat of condemnation.

(b) Mortgagor hereby assigns to Mortgagee all of Mortgagor's right, title and interest in and to any and all such proceeds of insurance, if any, and/or eminent domain awards (including any amount paid for a conveyance under threat of condemnation), and all such proceeds shall be paid to Mortgagee for application to the Mortgagee's costs of collection, any amounts then due pursuant to the Note, the Agreement or this Mortgage, and then to the prepayment without premium of principal; provided, however, that, subject to paragraph (c) below, and so long as (i) no Event of Default, or event which with notice or lapse of time or both would constitute an Event of Default, has occurred, and (ii) all sales agreements or purchase contracts relating to all or any portion of the Mortgaged Property shall continue in full force and effect or Mortgagor has obtained substitute sales agreements or purchase contracts satisfactory to Mortgagee for any such agreements or contracts which have not continued, the Mortgagee shall permit all or any part of such insurance proceeds, if any, to be used for the purpose of repairing, replacing, restoring and rebuilding the Mortgaged Property as nearly as practicable to the value, condition and character thereof immediately prior to such damage or destruction, with such changes or alterations, however, as the Mortgagor may deem necessary for proper use or operation of the Mortgaged Property and as may be approved by the Mortgagee, in accordance with Section 18(e) hereof.

(c) If (i) a significant portion (as determined by Mortgagee in its sole discretion reasonably exercised) of any buildings, structures, additions, facilities or other improvements included in the Mortgaged Property is damaged or destroyed to such an extent that such improvements cannot be reasonably repaired, replaced or restored within a period of six (6) months to the condition thereof immediately preceding such damage or destruction, or (ii) title to, or the temporary use of a significant portion (as determined by Mortgagee in its sole discretion reasonably exercised) of the Mortgaged Property shall have been taken to such an extent that (1) the Mortgaged Property cannot be reasonably repaired, replaced or restored within a period of six (6)

months to a condition not substantially different from that existing prior to such taking, or (2) normal use and operation of the Mortgaged Property is prevented for a period of six (6) months, then, in any of such events, Mortgagee may at its sole option, and within thirty (30) days after receiving notice of any such events, declare the entire indebtedness secured hereby to be due and payable, on a date not earlier than thirty (30) days after the date of such declaration, and thereupon the entire amount of said indebtedness shall be due and payable without premium on such date, and shall thereafter bear interest at the Default Rate.

(d) All prepayments of principal pursuant to paragraph (b) of this Section shall be made without premium or penalty in the inverse order of the maturity thereof, and shall not reduce the periodic installments thereafter becoming due.

(e) Unless any damage or destruction results in the exercise by Mortgagee of its option pursuant to paragraph (c) of this Section, Mortgagor shall, regardless of the adequacy or availability of insurance proceeds, if any, promptly commence and complete the restoration, repair, replacement and rebuilding of the Mortgaged Property as nearly as practicable to the value, condition and character thereof immediately prior to such damage or destruction. Unless any taking results in the exercise by Mortgagee of its option pursuant to paragraph (c) of this Section, Mortgagor shall, regardless of the adequacy or availability of proceeds of condemnation therefor, if any, promptly commence and complete the restoration, repair, replacement and rebuilding of the Mortgaged Property as nearly as practicable to the value, condition and character thereof immediately prior to such taking. Unless any damage or destruction results in the exercise by Mortgagee of its option pursuant to paragraph (c) of this Section, and subject to the satisfaction of the conditions set forth in paragraph (b) of this Section, Mortgagee shall make any insurance proceeds available for any such repair or restoration, and shall disburse such funds as work progresses in accordance with and subject to Mortgagee's then normal and customary construction loan disbursement practices and procedures, provided that Mortgagee may require Mortgagor either to deposit with Mortgagee, for disbursement prior to the disbursement of any such insurance proceeds, the amount in addition to such available net proceeds of insurance, if any, that will be required (in Mortgagee's judgment) to complete such repair or restoration, or to provide Mortgagee with evidence satisfactory to Mortgagee that such additional funds are available for such purposes.

Section 19. Leases. The Mortgagor shall not enter into any lease of all or any part of the Mortgaged Property ("Lease") except with the prior written consent of the Mortgagee and pursuant to lease terms in form and substance satisfactory to the Mortgagee. Unless otherwise provided by written instrument signed by the Mortgagee, any and all Leases (other than Permitted Prior Encumbrances, if any) shall be subordinated to this Mortgage. This Mortgage constitutes an absolute and present assignment of all rentals, income and other revenues payable under or derived from any and all Leases, subject only to the conditional license granted by the Mortgagee to the Mortgagor to collect such rentals, income and revenues during such times as no Event of Default shall have occurred hereunder. Concurrently with the execution and delivery hereof, the Mortgagor has also executed and delivered to the Mortgagee a collateral assignment of its interests as lessor in all Leases and to all rentals, income and other revenues payable thereunder or derived therefrom, as additional collateral for the indebtedness hereby secured.

The Mortgagor will perform, fulfill, comply with and observe each and every covenant, agreement and condition to be performed, fulfilled, complied with and observed by the Mortgagor as lessor under the Leases, and will not suffer or permit any default of the Mortgagor as lessor thereunder to occur (except defaults which are duly cured within the time provided in the Leases for the curing thereof).

The Mortgagor shall not, and shall not have the right or power to, as against the Mortgagee without its consent, cancel, terminate, abridge or modify any Lease, accept a surrender thereof or accept prepayments of installments of rent or other sums due or to become due thereunder.

Section 20. Inspection. Mortgagee, its agents and employees shall have the right to enter upon and inspect the Mortgaged Property at any and all reasonable times for the protection of its interest in the Mortgaged Property and for such other purposes as may in Mortgagee's sole discretion be necessary or desirable in connection with the exercise of its rights hereunder or under the Agreement.

Section 21. Financial Statements. In accordance with the terms and conditions set forth in Sections 14.16 and 14.17 of the Agreement, (i) Mortgagor shall deliver to Mortgagee copies of the Mortgagor's financial statements, and (ii) Mortgagor shall deliver or cause to be delivered to Mortgagee copies of the financial statements of Wayne Adams, the guarantor under the Loan.

Section 22. Indemnification. The Mortgagor hereby protects, indemnifies and saves harmless the Mortgagee, its officers, directors, agents and employees, from and against any and all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation, reasonable attorneys' fees and expenses whether or not litigation has been commenced and in all trial, bankruptcy and appellate proceedings) imposed upon, incurred by or asserted against the Mortgagee or any of such persons by reason of (a) ownership of any interest in the Mortgaged Property or any part thereof, (b) intentionally omitted, (c) any accident, injury to or death of persons or loss of or damage to property occurring on or about the Mortgaged Property or any part thereof or the adjoining sidewalks, curbs, vaults and vault space, if any, streets or ways, (d) any use, disuse or condition of the Mortgaged Property or any part thereof, or the adjoining sidewalks, curbs, vaults and vault space, if any, or any streets or ways, (e) any failure on the part of the Mortgagor to perform or comply with any of the terms hereof or of the Agreement, or any inaccuracy in any representation or warranty made by Mortgagor herein or in the Agreement, (f) any defense of the right, title or interest conveyed by this Mortgage, (g) the performance of any labor or services or the furnishing of any materials or other property in respect of the Mortgaged Property or any part thereof, (h) any subsidence or erosion of any part of the surface of the Mortgaged Premises, including any shoreline or any bank of any river, stream, creek, canal, lake, ocean or other water source, or (i) the location or existence of asbestos or any toxic or hazardous waste, chemicals, materials or substance on, at, in or under the Mortgaged Property or any part thereof. If any action, suit or proceeding is brought against the Mortgagee, or any of its officers, directors, agents or employees, for any such reason, the Mortgagor, upon the request of such party, will at the Mortgagor's expense, cause such action, suit or proceeding to be resisted and defended by counsel satisfactory to the Mortgagee or such person. Any amounts payable to an indemnified party under this Section which are not paid within ten (10) days after written demand therefor shall bear interest at the Default Rate from the date of such demand, and such amounts, together with such interest, shall be indebtedness secured by this Mortgage. The obligations of the Mortgagor under this Section shall survive any defeasance of the Mortgage.

Section 23. Events of Default. Any one or more of the following events shall be an "Event of Default" under this Mortgage:

(a) Failure by the Mortgagor or any co-maker or guarantor to pay any installment of principal, interest or premium under the Note within fifteen (15) calendar days after the same are due and payable or any other indebtedness secured hereby as and when the same becomes due and payable or the entire indebtedness secured hereby upon the maturity of the Note;

(b) Failure by the Mortgagor or any co-maker or guarantor to observe or perform any other term, covenant or agreement contained herein, in the Note or in any other Loan Document;

provided, however, that if the failure is other than the payment of money, is not intentional or grossly negligent on the part of the Mortgagor, does not involve a breach of Sections 12, 13 or 15 of this Mortgage, and does not constitute an emergency in the sole opinion of Mortgagee, such failure shall not constitute an Event of Default if: (i) Mortgagor institutes curative action and pursues such action to completion within thirty (30) days after written notice of such failure has been provided to Mortgagor by Mortgagee; or (ii) the failure is of such a nature that it can be corrected but not within thirty (30) days after written notice thereof has been provided to Mortgagor by Mortgagee, and Mortgagor has within the aforesaid thirty (30) days instituted curative action and diligently and continuously pursues such action to completion, provided that such failure shall become an Event of Default if not cured within ninety (90) days after such written notice;

(c) The Mortgagor or any co-maker or guarantor shall: (i) become insolvent or generally not pay, or be unable to pay, or admit in writing its inability to pay its debts generally as they become due; (ii) commence a proceeding under any Federal or state bankruptcy, insolvency, reorganization or other similar code or law, or have such a proceeding commenced against it and either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed for sixty (60) days; (iii) make an assignment for the benefit of its creditors; (iv) have a receiver or trustee or custodian appointed for it or for the whole or any substantial part of its property or for all or any part of the Mortgaged Property; or (v) adopt a plan of liquidation of its assets;

(d) Failure by the Mortgagor or any co-maker or guarantor to pay any indebtedness or to observe or perform any terms, covenants or provisions contained in any note, mortgage, agreement or other obligation to Mortgagee and such failure is not cured within any applicable grace period;

(e) If any material adverse change shall occur in the financial condition of the Mortgagor or any co-maker or guarantor at any time during the term of the Loan from the financial condition disclosed in statements heretofore presented to Mortgagee, or if the Mortgagor or any co-maker or guarantor or any general partner of Mortgagor shall cease to exist or to be qualified to do or transact business in the States of Florida, Alabama, Mississippi, or any other State in which Mortgagor operates or be dissolved or shall be a party to a merger or consolidation, shall issue stock of any type or series (if a corporation), or shall sell all or substantially all of its assets, or if any individual being Mortgagor or a guarantor of the Loan should die, become incapacitated or adjudged incompetent;

(f) If Mortgagor or any co-maker or guarantor is a corporation, any shares of stock of Mortgagor or any such co-maker or guarantor are issued, sold, transferred, conveyed, assigned, mortgaged, pledged, or otherwise disposed of, whether voluntarily or by operation of law, and whether with or without consideration, or any agreement for any of the foregoing is entered into; or, if Mortgagor or any co-maker or guarantor is a partnership, any general or limited partnership interest or other equity interest in such partnership is sold, transferred, assigned, conveyed, mortgaged, pledged or otherwise disposed of, whether voluntarily or by operation of law, and whether with or without consideration, or an agreement for any of the foregoing is entered into, or, if Mortgagor or any co-maker or guarantor is a limited liability company, any membership or other equity interest in such limited liability company is sold, transferred, assigned, conveyed, mortgaged, pledged or otherwise disposed of, whether voluntary or by operation of law, and whether with or without consideration, or an agreement for any of the foregoing is entered into;

(g) Any shares of stock of any corporation that is a general partner of Mortgagor or any co-maker or guarantor or a general partner of a partnership that is a general partner of the Mortgagor or any co-maker or guarantor are issued, sold, transferred, assigned, conveyed, mortgaged, pledged or otherwise disposed of, whether voluntarily or by operation of law, and whether with or without consideration, or any agreement for any of the foregoing is entered into, executed or delivered, or any general partnership interest in any general partnership that is itself a



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general partner of the Mortgagor or any co-maker or guarantor is sold, transferred, assigned, conveyed, mortgaged, pledged or otherwise disposed of, whether voluntarily or by operation of law, and whether with or without consideration, or any agreement for any of the foregoing is entered into;

(h) If any statement or representation contained in the loan application or any financial statements or other materials furnished to Mortgagee prior or subsequent to the making of the Loan are discovered to have been false or incorrect or incomplete in any material respect;

(i) An action for foreclosure or marshalling of liens is commenced against all or any part of the Mortgaged Property; or

(j) A default occurs under any other mortgage or security agreement encumbering all or any part of the Mortgaged Property and the same is not cured within any applicable grace period, or the Mortgagee receives any notice which limits or may limit the amount of indebtedness that may be secured by this Mortgage.

Section 24. Right to Cure. If the Mortgagor shall fail to make any payment or perform any act required to be made or performed under this Mortgage or the Agreement, the Mortgagee, without demand upon the Mortgagor and without waiving or releasing any obligation or default, may (but shall be under no obligation to) make such payment or perform such act for the account and at the expense of the Mortgagor and may enter upon the Mortgaged Property or any part thereof for such purpose and take all such action thereon as, in its sole opinion, may be necessary or appropriate therefor, all without prejudice to any other rights or remedies available to Mortgagee. All payments so made by the Mortgagee and all costs, fees and expenses incurred in connection therewith or in connection with the performance by the Mortgagee of any such act, together with interest thereon at the Default Rate from the date of payment or incurrence, shall constitute additional indebtedness secured by this Mortgage and shall be paid by the Mortgagor to the Mortgagee on demand.

Section 25. Remedies.

(a) If an Event of Default shall have occurred, the Mortgagee may exercise any or all or any combination of the remedies conferred upon or reserved to it under this Mortgage, the Agreement or any other Loan Document, or now or hereafter existing at law or in equity or by statute. Without limitation, the Mortgagee may (i) declare the entire unpaid principal balance of the indebtedness secured hereby to be immediately due and payable, without notice or demand, the same being expressly waived by the Mortgagor, and upon such declaration the entire indebtedness secured hereby shall become immediately due and payable and shall thereafter bear interest at a rate equal to five percent (5%) per annum in excess of the rate that would otherwise be applicable pursuant to the terms of the Note (the "Default Rate"); (ii) proceed at law or equity to collect all indebtedness secured by this Mortgage then due hereunder, whether at maturity or by acceleration; (iii) foreclose the lien of this Mortgage as against all or any part of the Mortgaged Property; and (iv) exercise any rights, powers and remedies it may have as a secured party under the Uniform Commercial Code of the State of Alabama, including, without limitation, the option of proceeding as to both personal property and fixtures in accordance with the Mortgagee's rights with respect to real property. The Default Rate is and shall be the rate of interest which applies to any judgment debt upon the obligations contained in this Mortgage.

(b) Notwithstanding any contrary provisions contained in this Mortgage or any other Loan Document, if Mortgagor shall (i) file for protection with any bankruptcy court of competent jurisdiction or be the subject of any petition under Title 11 United States Code ("USC"), as amended, (ii) be the subject of any order for relief issued under said Title 11 USC, as amended, (iii) file or be the subject of any petition seeking any reorganization, arrangement, composition, readjustment,



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liquidation, dissolution, or similar relief under any present or future federal or state act, code, law or statute relating to bankruptcy, insolvency or other relief for debtors, (iv) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator or liquidator, or (v) be the subject of any other order, judgment or decree entered by any court of competent jurisdiction approving a petition filed against Mortgagor for any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act, code, law or statute relating to bankruptcy, insolvency or relief for debtors, Mortgagee shall thereupon immediately be entitled to relief from any automatic stay (on or against the exercise of any rights and remedies otherwise available to Mortgagee) imposed by Section 362 of Title 11 USC, as amended, to commence or continue any action necessary to foreclose this Mortgage and otherwise assert any legal remedies available to Mortgagee pursuant to this Mortgage or any other Loan Document and as otherwise provided by law or equity. This entitlement shall be irrespective of any of the requirements of said Section 362 of Title 11 USC, as amended, and Mortgagee shall not be obligated to satisfy any such requirements in order to obtain stay relief. Mortgagor further agrees that it will not assert any defenses to or otherwise defend any motion brought by Mortgagee pursuant to this Section 25(b). Mortgagor agrees that this Section 25(b) is a material inducement to Mortgagee agreeing to make the Loan.

(c) Without limiting any other remedy herein or that may be available under applicable law, if an Event of Default shall exist, Mortgagee may sell the Mortgaged Property, or any part thereof, at public outcry to the highest bidder for cash in front of the courthouse door in the county where the Mortgaged Property is located (or in the event the Mortgaged Property is located in more than one county, then in any such county selected by Mortgagee where any part of the Mortgaged Property is located), either in person or by auctioneer, after having first given notice of the time, place and terms of sale by publication once a week for three (3) successive weeks prior to said sale in some newspaper published in each such county in which any of the Mortgaged Property is located, and upon payment of the purchase money, Mortgagee or any person conducting the sale for Mortgagee, is authorized to execute to the purchaser at said sale a deed to the Mortgaged Property so purchased. Mortgagee may bid at said sale and purchase the Mortgaged Property, or any part thereof, if the highest bidder therefor, and apply all or any designated part of the indebtedness secured hereby as a credit against the purchase price. At the foreclosure sale the Mortgaged Property may be offered for sale and sold as a whole without first offering it in any other manner or may be offered for sale and sold in any other manner Mortgagee may elect. One or more exercises of the power of sale herein shall not exhaust such power, and Mortgagee may exercise such power of sale until all indebtedness secured hereby is paid or all Mortgaged Property has been sold.

Section 26. Waiver of Appraisement, Valuation. The Mortgagor hereby waives, to the full extent that it may lawfully do so, the benefit of all appraisement, valuation, stay and extension laws now or hereafter in force and all rights of marshalling of assets in the event of any sale of the Mortgaged Property, any part thereof or any interest therein, and any court having jurisdiction to foreclose the lien hereof may sell the Mortgaged Property (real or personal, or both) as an entirety or in such parcels, lots, manner or order as the Mortgagee in its sole discretion may elect.

Section 27. Appointment of Receiver. If an Event of Default shall have occurred, the Mortgagee shall be entitled, to the extent permitted by law, as a matter of right and without regard to the value or condition of the Mortgaged Property or the adequacy thereof as security and by ex parte proceedings without notice to the Mortgagor, to the appointment of a receiver for all or any part of the Mortgaged Property, whether such receivership is incidental to a proposed sale of the Mortgaged Property or otherwise. The foregoing is agreed to, in part, in recognition of the fact that a delay in the management, development, disposition or other activity involving the Mortgaged Property may substantially adversely affect Mortgagee's security by virtue of the effects of Alabama laws, ordinances, rules or regulations governing Growth Management, Development, or similar matters, and requirements and documents and instruments of record affecting development of the Mortgaged Property. The Mortgagor hereby consents to the appointment of such receiver and covenants not to oppose any such appointment.

Section 28. Possession, Management and Income: Assignment. If an Event of Default shall have occurred, the Mortgagee, to the extent permitted under applicable law, and without notice to the Mortgagor, may enter upon and take possession of the Mortgaged Property or any part thereof by force, summary proceedings, ejectment or otherwise, and may remove Mortgagor and all other persons and any and all property therefrom and may hold, operate and manage the same and receive all revenues, income or profits accruing with respect thereto or any part thereof. The Mortgagee shall have no liability for or by reason of any such taking of possession, entry, removal or holding, operation or management, or for the failure to do so, except for grossly negligent or intentional misconduct.

Section 29. Remedies Cumulative. Each right, power and remedy of the Mortgagee provided for in this Mortgage, in the Note, in the Agreement or now or hereafter existing at law or in equity or by statute or otherwise, shall be cumulative and concurrent and shall be in addition to every other such right, power or remedy, and the exercise or beginning of the exercise or partial exercise by the Mortgagee of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by the Mortgagee of any or all such other rights, powers or remedies.

Section 30. Provisions Subject to Applicable Law. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable law, and are intended to be limited to the extent necessary so that they will not render this Mortgage invalid, unenforceable or not entitled to be recorded, registered or filed under any applicable law.

Section 31. No Waiver by Mortgagee. No failure by the Mortgagee to insist upon the strict performance of any term hereof or to exercise any right, power or remedy consequent upon a breach thereof shall constitute a waiver of any such term or of any such breach. No waiver of any breach shall affect or alter this Mortgage, which shall continue in full force and effect with respect to any other then existing or subsequent breach.

Section 32. Right to Sue for Installments. Mortgagee shall have the right from time to time to sue for any sums required to be paid pursuant to the terms of this Mortgage (whether principal, interest, taxes, insurance premiums, or otherwise) as the same become due, without regard to whether or not the principal or any other sums secured hereby shall then be due and payable, and without prejudice to the right of the Mortgagee to accelerate the indebtedness secured hereby or to commence an action for foreclosure or any other action for a default or defaults by the Mortgagor existing at the time such earlier action was commenced.

Section 33. Additional Security. Without impairment of the lien and rights created by this Mortgage, the Mortgagee may accept additional security for the indebtedness secured by this Mortgage from the Mortgagor or (without notice to or the consent of the Mortgagor) from any other person or persons. Mortgagee may release or subordinate any part of the security for the indebtedness secured by this Mortgage without in any way impairing or affecting the validity or priority of this Mortgage as to the Mortgaged Property not specifically released. Mortgagee may resort to the security created by this Mortgage or to any such additional security in such manner and order as Mortgagee may elect, in each case without affecting the lien hereof and the rights conferred hereunder.

Section 34. Notices. Any notice, demand or request required or permitted by this Mortgage shall be in writing and shall be deemed to have been sufficiently given at the earlier of when personally delivered or at 6:00 P.M. on the second Business Day after deposit in the United States certified or registered mail, postage prepaid, and addressed to the address of the party to whom such notice is directed as such address as is set forth at the beginning of this Mortgage, and in the case of the Mortgagee, to the attention of the Legal Department, or at such other address as

any party may from time to time notify the other by notice in writing as aforesaid. A "Business Day" is any day other than a Saturday, Sunday or any day on which federal savings banks are authorized or required to be closed.

Section 35. Reimbursement of Attorneys' Fees and Expenses. If the Mortgagee becomes a party to any action wherein the Mortgagee must establish or defend the validity or priority of this Mortgage, or if the Mortgagee should incur expenses in connection with the collection or enforcement of this Mortgage, the Note, the Agreement or any other instrument or document collateral thereto, the Mortgagor shall reimburse the Mortgagee on demand for any and all such costs or expenses incurred by Mortgagee, including, without limitation, attorneys' fees in all trial, bankruptcy and appellate proceedings, and whether or not litigation has been commenced, together with interest thereon at the Default Rate from the date such costs and expenses are incurred, and all of said amounts, including interest, shall constitute indebtedness secured by this Mortgage to the extent permitted by law.

Section 36. Discharge of Mortgage. If the Note and all other sums payable under this Mortgage and the Agreement shall have been fully paid, the line of credit provided by the Note and Agreement shall have been terminated and the Mortgagor shall have complied with all the terms, conditions and requirements hereof, and of the Agreement, then upon the written request and at the expense of the Mortgagor, the Mortgagee will execute and deliver such proper instruments of release and discharge as may reasonably be requested to evidence such defeasance, release and discharge of this Mortgage.

The lien, security interests and rights granted to the Mortgagee herein shall continue in full force and effect until expressly released by Mortgagee, notwithstanding the termination of the line of credit provided by the Note and Agreement or the fact that the Loan Account may from time to time be in a credit position.

Section 37. Recordation. The Mortgagor, at its expense, shall cause this Mortgage, any instruments supplemental hereto, and financing statements, including all necessary amendments, supplements and appropriate continuation statements, to be recorded, registered and filed, and to be kept recorded, registered and filed, in such manner and in such places as may be required in order to establish, preserve and protect the lien of this Mortgage as a valid, first mortgage lien on all real property and fixtures included in the Mortgaged Property and a valid, perfected first priority security interest in all fixtures included in the Mortgaged Property (including in each such case, without limitation, any such properties acquired after the execution hereof). If requested by the Mortgagee, but in each case not more than once in each calendar year, the Mortgagor, at its expense, will furnish the Mortgagee an opinion of counsel satisfactory to the Mortgagee specifying the action required and taken by the Mortgagor to comply with this Section 37 since the date of this Mortgage or the date of the most recent such opinion (or stating that no such action is or was necessary) and specifying all action which will be required to be taken in the next succeeding twelve (12) month period.

Section 38. Further Assurances. Mortgagor will properly execute and deliver, or cause to be executed and delivered from time to time, at the request of Mortgagee, all such further deeds, conveyances, mortgages, security agreements, financing statements, assignments of leases now existing or hereafter entered into, transfers and such other assurances as the Mortgagee shall require for better assuring, mortgaging, pledging, assigning and confirming unto the Mortgagee all and singular the Mortgaged Property and the title thereto.

Section 39. Estoppel Affidavits. The Mortgagor, within ten (10) days after written request from the Mortgagee, shall furnish a written statement, duly acknowledged, setting forth the unpaid



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principal of, and interest on the indebtedness secured hereby, and whether or not any offsets or defenses exist against the obligations of Mortgagor to pay such principal and interest.

Section 40. Amendments, Changes and Modifications. Except as otherwise provided in this Mortgage, this Mortgage may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the Mortgagee. If the payment of the indebtedness secured by this Mortgage, or any part thereof, be extended or varied, or if any part of the security or guaranties therefor be released, then all persons now or at any time hereafter liable therefor, or interested in the Mortgaged Property, shall be held to assent to such extension, variation or release and their liability and the lien of this Mortgage and all provisions hereof shall continue in full force and effect. The right of recourse against all such persons is expressly reserved by Mortgagee, notwithstanding any such extension, variation or release. Any person, firm or corporation taking a junior mortgage, or other lien upon the Mortgaged Property or any part thereof or any interest therein, shall take said lien subject to the rights of Mortgagee to amend, modify, extend or release this Mortgage, the Agreement or any other document or instrument evidencing, securing or guarantying the indebtedness secured by this Mortgage, in each and every case without obtaining the consent of the holder of such junior lien and without the lien of this Mortgage losing its priority over the rights of any such junior lien. Any acceptance by the Mortgagee of part payment of any installment of principal or interest, or both, or part performance of any covenant, or delay by Mortgagee for any period of time in exercising the option to accelerate any indebtedness evidenced by the Note or secured by this Mortgage shall not operate as a waiver of the right to exercise such option to accelerate such indebtedness.

Section 41. Governing Law. Except as provided to the contrary below, this Mortgage and the other Loan Documents shall be governed by and construed in accordance with the internal laws of the State of Florida applicable to contracts made and to be performed in such state (without regard to principles of conflicts of law applicable under Florida law) and applicable laws of the United States of America; provided, however, that with respect to the provisions hereof which relate to title or the creation, perfection, priority or enforcement of liens on the Mortgaged Property or as otherwise required by the laws of the State of Alabama, being the place in which the Mortgaged Property is located, this Mortgage shall be governed by the laws of the State of Alabama; it being understood that, to the fullest extent permitted by the laws of the State of Alabama, the laws of the State of Florida shall govern the validity and enforceability of this Mortgage in all instances when Alabama law is not specifically made the applicable law to the Mortgage.

Section 42. Binding Effect. This Mortgage shall inure to the benefit of and be binding upon the Mortgagor, its successors and assigns, and the Mortgagee, its successors and assigns, provided that Mortgagor may not assign (a) any of Mortgagor's rights and benefits under this Mortgage; or (b) any of the Mortgaged Property, without the prior written consent of the Mortgagee.

Section 43. Severability. If any term or provision of this Mortgage, or the operation thereof, shall be held to be invalid, illegal or unenforceable, the validity of the remaining provisions hereof, and the operation thereof, shall in no way be affected thereby, each of which shall be deemed to be effective to the full extent permitted by law.

Section 44. Captions. The captions or headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Mortgage.

Section 45. Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument; it shall not be necessary in proving this Mortgage to produce or account for more than one such counterpart, or a copy hereof certified by the appropriate recording officer.

Section 46. Joint and Several Liability. If Mortgagor consists of more than one party, each of the undersigned shall be jointly and severally liable for the performance of all of the obligations, covenants and agreements of the Mortgagor contained herein.

Section 47. No Setoffs. Mortgagor acknowledges that the indebtedness secured hereby was incurred in good faith for full value received, and the Mortgagor has no defenses, setoffs or counterclaims thereto.

Section 48. Definitions. Whenever in this instrument the context so admits or requires, the terms "**Mortgagor**" and "**Mortgagee**" shall be construed as including their respective heirs, legal representatives, successors and assigns, as the case may be (provided, however, that nothing herein shall be construed to permit the assignment of this Mortgage by Mortgagor); and the pronoun as used herein to refer to either Mortgagor or Mortgagee in the third person, singular number and masculine gender, shall be construed as meaning the person, number and gender appropriate to the first designation to the respective parties hereto.

Section 49. Partial Releases. Reference is hereby made to Sections 6.3 and 6.4 of the Agreement, the provisions of which are hereby incorporated by reference as if fully set forth herein.

Section 50. Subrogation. Mortgagee is hereby subrogated (a) to the lien(s) of each and every mortgage, lien or other encumbrance on all or any part of the Premises which is fully or partially paid or satisfied out of the proceeds of the Loan, and (b) to the rights of the owner(s) and holder(s) of any such mortgage, lien or other encumbrance. The respective rights under and priorities of all such mortgages, liens or other encumbrances shall be preserved and shall pass to and be held by Mortgagee as security for the Loan, to the same extent as if they had been duly assigned by separate instrument of assignment and notwithstanding that the same may have been cancelled and satisfied of record.

Section 51. Additional Financing: There shall be no additional, secondary, junior or mezzanine financing on the Mortgaged Property without the consent of Mortgagee, which consent may be withheld at the sole and absolute discretion of the Mortgagee.

Section 52. Loan Agreement. Mortgagor will comply with all of the terms, provisions and conditions of the Agreement and will permit no default to occur thereunder. Reference is made here to the Agreement for all purposes to the same extent and effect as if the Agreement were fully set forth herein and made a part of this Mortgage.

In the event of the Mortgagor's failure to comply with the terms, provisions and conditions of the Agreement or other default of the Mortgagor under the Agreement and whether or not the Mortgagee shall cause the indebtedness to become immediately due and payable, the Mortgagee is hereby vested with full and complete authority to enter upon the Mortgaged Property to employ watchmen to protect the Mortgaged Property from depreciation or injury and to preserve and protect the personal property therein, to make and enter into any contracts and obligations wherever necessary, either in its own name as Mortgagee hereunder or in the name of the Mortgagor, and pay and discharge all debts, obligations and liabilities incurred thereby. All sums so advanced by the Mortgagee (exclusive of advances of the principal of the indebtedness) shall be added to the principal of the indebtedness, shall be secured by this Mortgage and shall be due and payable on demand with interest at the Default Rate.

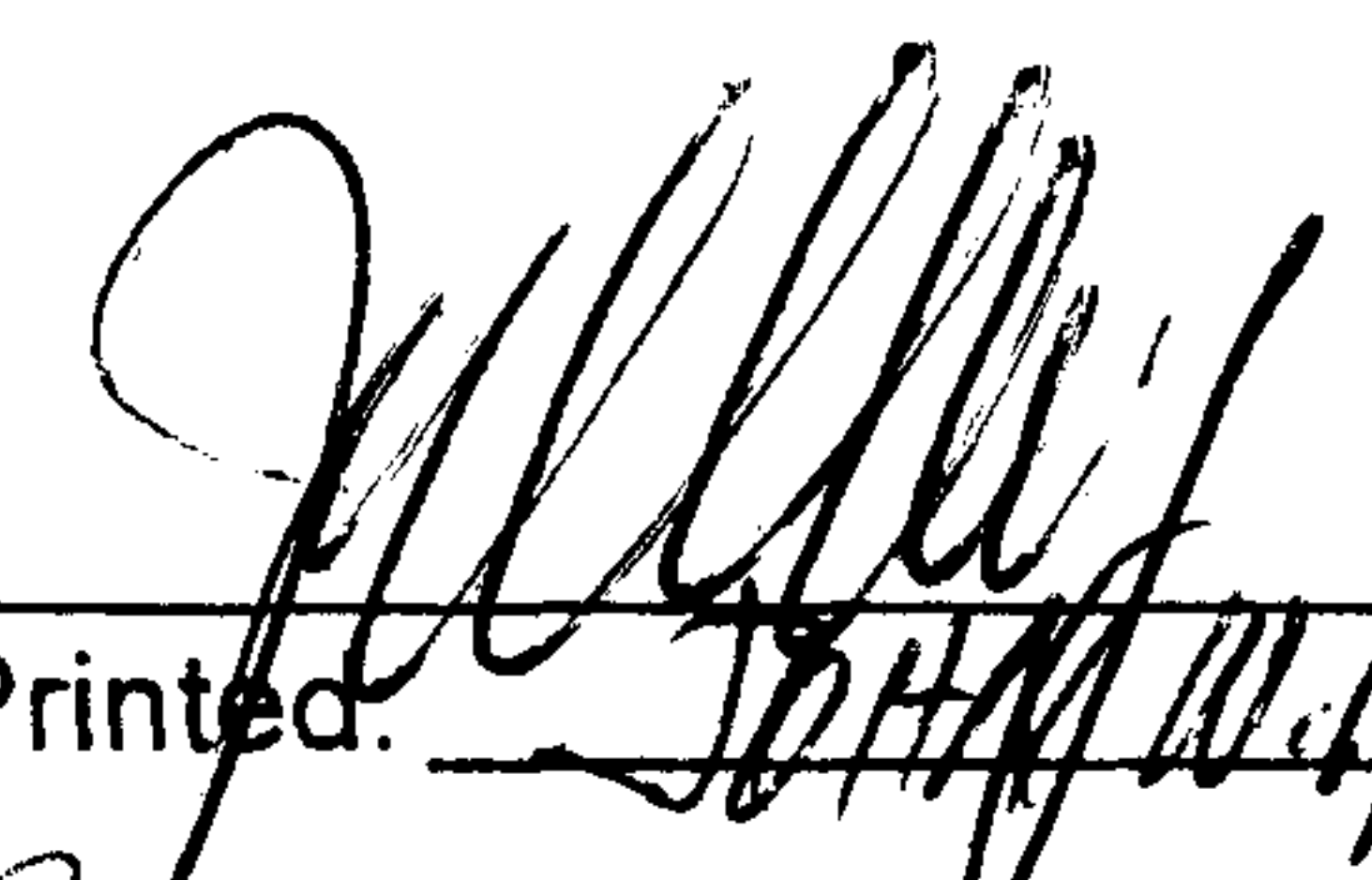
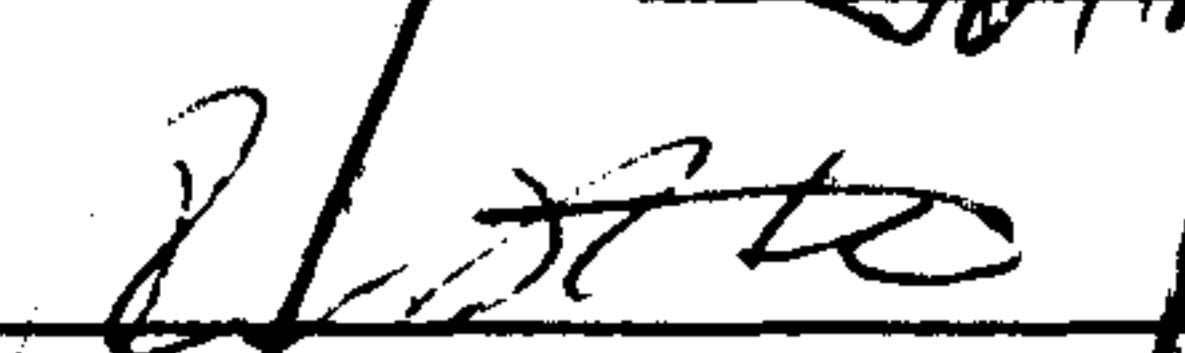
Section 53. Joinders and Consents. Mortgagee agrees, upon request of Mortgagor, to join in any plat for the Land and any utility easements or licenses, and to consent to any condominium or homeowners association documents or declarations, development agreements or similar instruments affecting the Land and needed by the Mortgagor in connection with the

development of the Mortgaged Property as contemplated by the Loan Documents, at no cost or liability to Mortgagee, for the sole purpose of subjecting the lien of this Mortgage to the effects of such instruments, provided that such instruments are in form and substance acceptable to Mortgagee in Mortgagee's sole and absolute discretion reasonably exercised. Mortgagee shall have no obligation to join in or consent to any such documents if doing so would materially diminish the value of the Mortgaged Property or require Mortgagee to directly assume any Mortgagor's obligations under such instruments.


Section 54. This Mortgage is being executed in multiple counterparts and recorded simultaneously in multiple counties in the State of Alabama.

Section 55. Waiver of Jury Trial. THE UNDERSIGNED WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, ANY ASPECT OF THE TRANSACTION IN CONNECTION WITH WHICH THIS DOCUMENT IS BEING GIVEN OR ANY DOCUMENT EXECUTED OR DELIVERED IN CONNECTION WITH SUCH TRANSACTION. THIS WAIVER IS KNOWINGLY, INTENTIONALLY AND VOLUNTARILY MADE BY THE UNDERSIGNED AND THE UNDERSIGNED ACKNOWLEDGES THAT NO ONE HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. THE UNDERSIGNED FURTHER ACKNOWLEDGES HAVING BEEN REPRESENTED IN CONNECTION WITH THE TRANSACTION WITH RESPECT TO WHICH THIS DOCUMENT IS BEING GIVEN AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED BY THE UNDERSIGNED'S OWN FREE WILL, AND THAT THE UNDERSIGNED HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH SUCH COUNSEL. THE UNDERSIGNED FURTHER ACKNOWLEDGES HAVING READ AND UNDERSTOOD THE MEANING AND RAMIFICATIONS OF THIS WAIVER PROVISION.


IN WITNESS WHEREOF, this instrument has been signed and acknowledged this 12th day of April, 2006.


Name Printed: JOHN W. MONROE, JR.

Name Printed: REBECCA F. KATES

ADAMS HOMES, LLC, an Alabama limited liability company

By: 
Name: Wayne Adams
Title: Member and Manager

By: ADAMS HOMES OF NORTHWEST FLORIDA, INC., a Florida corporation, as Member

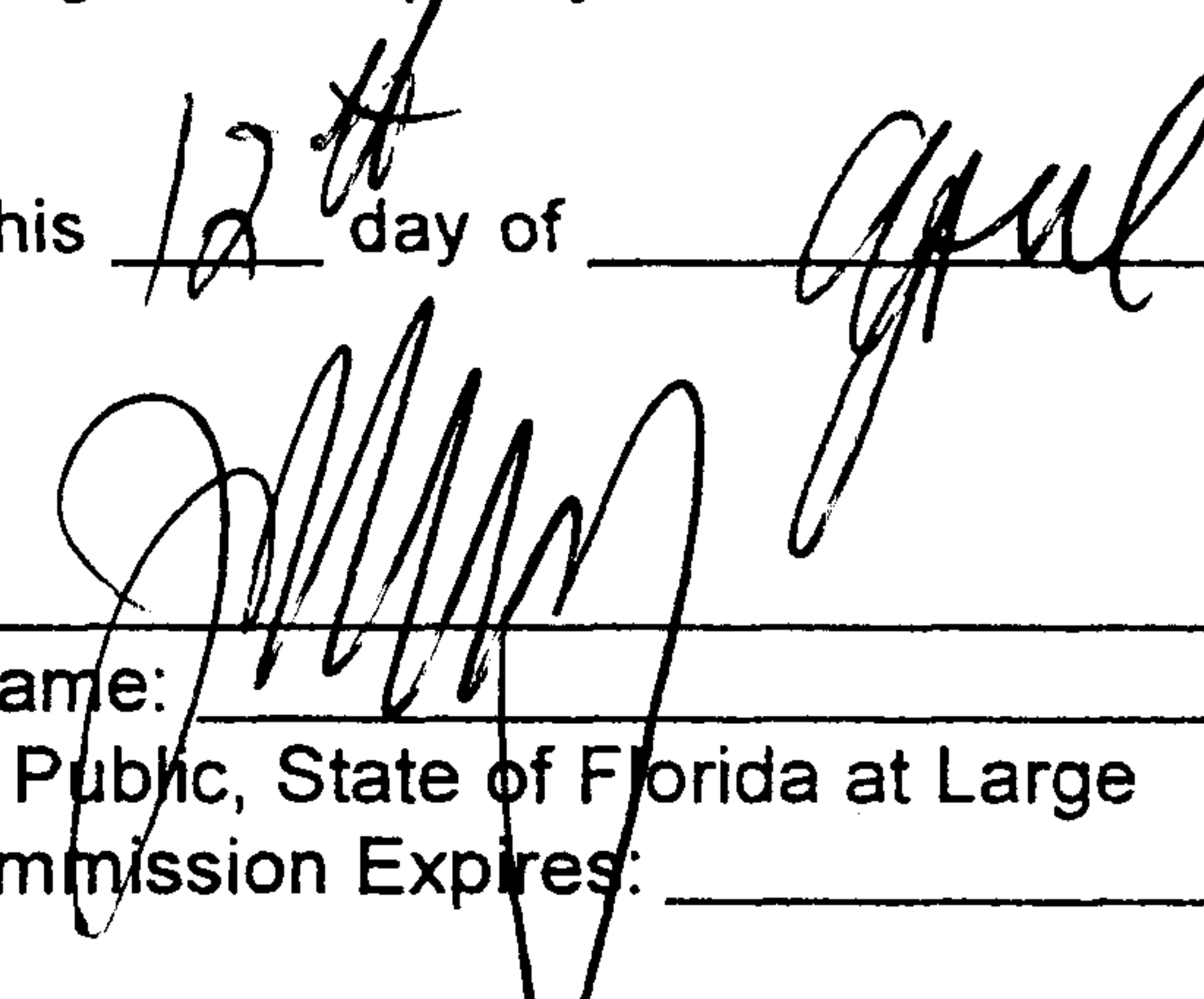
By: 
Name: Wayne Adams
Title: President

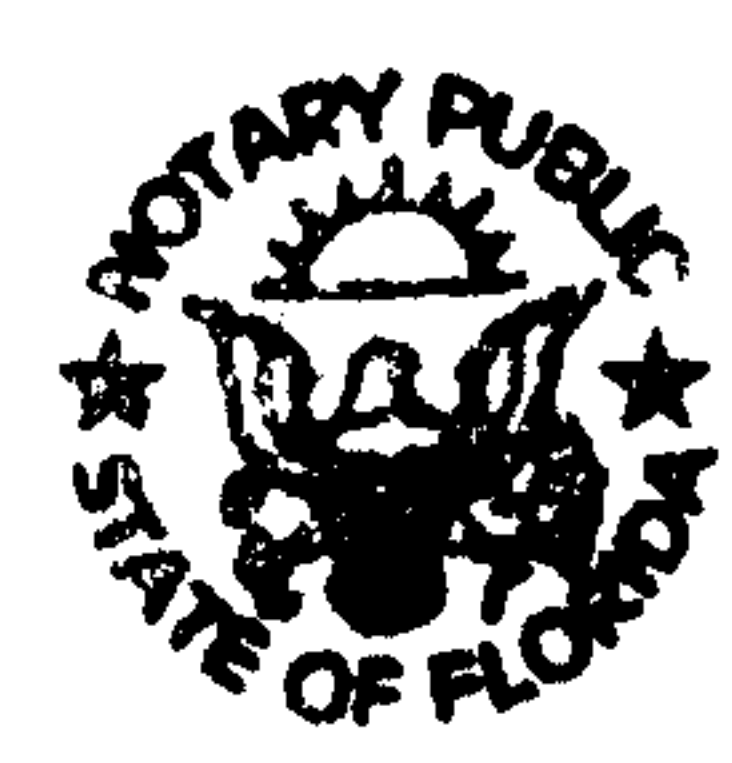
STATE OF Florida)
COUNTY OF Santa Rosa) SS:

I, the undersigned Notary Public, in and for said State and County, do hereby certify that Wayne Adams, whose name as President of ADAMS HOMES OF NORTHWEST FLORIDA, INC., a Florida corporation, as Member of ADAMS HOMES, LLC, an Alabama limited liability company, is signed to the above and 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 corporation, acting in its capacity as Member of said limited liability company.

Given under my hand and official seal of office on this 12th day of April, 2006.

(SEAL)


Print Name: _____
Notary Public, State of Florida at Large
My Commission Expires: _____

 JOHN W. MONROE, JR.
My Commission DD 193344
Expires June 27, 2007

STATE OF Florida)
COUNTY OF Santa Rosa) SS:

I, the undersigned Notary Public, in and for said State and County, do hereby certify that Wayne Adams, whose name as Member and Manager of ADAMS HOMES, LLC, an Alabama limited liability company, is signed to the above and foregoing instrument, and who is known to me, acknowledged



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before me on this day, that, being informed of the contents of said instrument, he, as such Member and Manager 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 of office on this 12th day of April, 2006.

(SEAL)

Print Name: _____
Notary Public, State of Florida at Large

My Commission Expires: _____




JOHN W. MONROE, JR.

My Commission DD 193344

Expires June 27, 2007

STATE OF ALABAMA)
COUNTY OF MONTGOMERY)


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BEFORE THE ALABAMA DEPARTMENT OF REVENUE:

Comes Petitioner, OHIO SAVINGS BANK, a Federal Savings Bank, and asks the Alabama Department of Revenue to fix and determine the amount of recording tax due, pursuant to *Alabama Code* §40-22-2(2), (1975), upon the recordation of a mortgage, to be filed in the principal amount of \$110,000,000.00 from Adams Homes, LLC to Petitioner. The Mortgage encompasses property in more than one county in Alabama.

Upon consideration of the Petition and evidence offered in its support, the Alabama Department of Revenue finds as follows:

1. That the maximum indebtedness owed pursuant to the Mortgage, and secured by the Mortgage is \$110,000,000.00.
2. That the Petitioner desires to pay recording tax on the maximum indebtedness, allocable to the secured assets which are located in the State of Alabama.
3. That the total value of all property covered by the Mortgage, both within and without the State of Alabama, is \$85,989,335.00.
4. That the total value of all property located within the State of Alabama, and covered by the Mortgage is \$14,262,393.81 or 16.59%.
5. That the amount of indebtedness which is allocable to Alabama, and upon which recording tax is due, is \$18,244,859.27.
6. That the amount of recording tax to be paid, at the rate of \$.15 for each \$100 of indebtedness, or fraction thereof, which is attributable to the property located within the State of Alabama, is \$27, ^{67.30}~~373.50~~. *OK per Beth J. J. J.*

7. That the Mortgage is to be recorded in Madison, Baldwin, Mobile and Shelby Counties. That the Mortgage secures future advances.

8. That the property values of the properties lying within the State of Alabama are as follows:

<u>COUNTY</u>	<u>VALUE</u>	<u>PERCENTAGE</u>
Madison	\$ 8,491,709.85	59.50%
Mobile	\$ 2,067,959.91	14.50%
Baldwin	\$ 2,494,983.35	17.50%
<u>Shelby</u>	<u>\$ 1,207,740.70</u>	<u>8.50%</u>
Total	\$ 14,262,393.81	100.00%

IT IS ORDERED, THEREFORE, that the probate judge in the county wherein the Mortgage first will be recorded, shall collect recording tax in the amount of \$27,373.50, and pursuant to *Alabama Code* §40-22-2(7), (1975), after deducting the probate judge's 5% commission, shall make distribution of such tax to the State of Alabama and to the counties named herein, in the percentages as set out in Paragraph 8. The probate judge of the county wherein the Mortgage first will be recorded, also is entitled to collect any applicable recording fees. Upon payment of the recording tax and upon the initial filing of the Mortgage duplicate mortgages shall be acceptable for recordation in the other counties, pursuant to *Alabama Code* §40-22-2(2)(a), (1975), without the payment of any further recording tax. The probate judges of the other counties are, however, entitled to collect applicable recording fees, pursuant to *Alabama Code* §40-22-2(5), (1975).

Also, the Petitioner is **ORDERED** to abide by the reporting and paying provisions of *Alabama Code* §40-22-2(2)(b), (1975), as to any indebtedness which may be incurred or



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advanced in the future, relating to the Mortgage.

DONE this the 21st day of June, 2006.

ALABAMA DEPARTMENT OF REVENUE

By: Cynthia Underwood
Assistant Commissioner of Revenue

ATTEST.

[Signature]
As Secretary

[Signature]
Legal Division: K. Elizabeth Jehle