

This instrument prepared by:
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Sirote & Permutt, P.C.
2311 Highland Avenue South (35205)
P. O. Box 55727
Birmingham, Alabama 35255-5727

**THE MAXIMUM INDEBTEDNESS SECURED HEREBY FOR RECORDING
TAX PURPOSES IS \$200,000.00**

ACCOMMODATION MORTGAGE

STATE OF ALABAMA)
SHELBY COUNTY)

THIS ACCOMMODATION MORTGAGE ("Mortgage"), made and entered into effective as of the 22nd day of January, 2007, by **JOSEPH H. FLEMMING, JR., and SUSAN D. FLEMMING**, husband and wife, whose address is 1043 Eagle Nest Circle, Birmingham, Alabama 35242 (whether one or more, "Mortgagor"), in favor of **SOUTHEASTERN COMMERCIAL FINANCE, L.L.C.**, an Alabama limited liability company, whose address is 110 12th Street North, Birmingham, Alabama 35203 ("Mortgagee").

WITNESSETH:

WHEREAS, Madwood Lumber, L.L.C., an Alabama limited liability company (the "Borrower") is justly indebted to Mortgagee for a line of credit loan in the maximum principal amount of Two Million and No/100 Dollars (\$2,000,000.00) (the "Loan") or such portion thereof as has been disbursed from time to time under the provisions of a Loan and Security Agreement between Borrower and Mortgagee dated of even date herewith (hereinafter, together with any and all extensions, revisions, modifications or amendments thereto at any time made, referred to as the "Loan Agreement") relating to the Loan, as evidenced by a Demand Promissory Note dated of even date herewith, payable by the Borrower to the Mortgagee with interest thereon (hereinafter, together with any and all extensions, revisions, modifications or amendments thereto at any time made, and together with any and all promissory notes at any time given in extension or renewal of, or in substitution or replacement for, such note, referred to as the "Note"), and payable as provided for in the Note [the Note, the Loan Agreement, this Mortgage, and any and all other documents and instruments relating to the Loan, together with any and all extensions, revisions, modifications or amendments at any time made to any of the foregoing, hereinafter collectively referred to as the "Loan Documents"]; and

WHEREAS, as an accommodation to the Borrower, Mortgagor has agreed to execute and deliver this Mortgage; and

WHEREAS, the parties desire to secure all of the following (hereinafter collectively referred to as the "Secured Obligations"):

(a) The payment of the principal amount of the Note, together with interest thereon, and all renewals, extensions and modifications thereof, and all refinancings of any part of the Note, and

any and all indebtedness of Borrower and/or Mortgagor to Mortgagee, due, or to become due, which Mortgagee has advanced, or has obligated itself to advance, and all other indebtedness of Borrower and/or Mortgagor to Mortgagee arising out of any one or more of the Loan Documents, and all other additional indebtedness of Borrower and/or Mortgagor to Mortgagee, now existing or hereafter arising, whether joint or several, due or to become due, absolute or contingent, direct or indirect, liquidated or unliquidated, and any renewals, extensions and/or modifications thereof, and whether incurred or given as maker, endorser, guarantor or otherwise, and all indebtedness of Mortgagor to Mortgagee arising under this Mortgage (all of the foregoing hereinafter referred to collectively as the "Secured Indebtedness"), including, but not limited to (i) all sums advanced by Mortgagee to Mortgagor or Borrower or expended by Mortgagee for Mortgagor's or Borrower's account, including but not limited to advances for taxes and insurance pursuant to the terms of this Mortgage; (ii) all court costs, expenses and costs of whatever kind incident to the collection of any indebtedness secured hereby and the enforcement or protection of the lien of this conveyance, including reasonable attorney's fees; and (iii) any amounts expended by Mortgagee in removing, isolating or cleaning up any hazardous materials from the Mortgaged Property (as hereinafter defined), whether or not such action is required by any applicable environmental law, rule or regulation; and

(b) The prompt performance of any and all other obligations of Borrower and/or Mortgagor to Mortgagee, whether now existing or hereafter arising, under or pursuant to this Mortgage or any one or more of the other Loan Documents.

NOW, THEREFORE, for and in consideration of the Mortgagee making the Loan above-mentioned and to secure the prompt payment and performance of the Secured Obligations, Mortgagor does hereby irrevocably MORTGAGE, CONVEY, WARRANT, GRANT, BARGAIN, SELL, ASSIGN, TRANSFER, PLEDGE and set over unto Mortgagee, and the successors and assigns of Mortgagee, all of the following described land and interests in land, estates, easements, rights, improvements, personal property, fixtures, equipment, furniture, furnishings, appliances and appurtenances, including replacements and additions thereto (herein referred to collectively as the "Mortgaged Property"):

(a) All those certain tracts, pieces or parcels of land, and interests in land, located in Shelby County, Alabama, more particularly described in Exhibit A attached hereto and by this reference made a part hereof (the "Land"), and having a property address of 1043 Eagle Nest Circle, Birmingham, Alabama;

(b) All buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and all gas and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators and motors, plumbing and heating fixtures, carpeting and other floor coverings, water heaters, awnings and storm sashes, and cleaning apparatus which are or shall be attached to said buildings, structures or improvements, and all other furnishings, furniture, fixtures, machinery, equipment, appliances, vehicles and personal property of every kind and nature whatsoever now or hereafter owned by Mortgagor and located in, on or about, or used or intended to be used with or in connection with the construction, use, operation or enjoyment of the Mortgaged Property, including all extensions, additions, improvements, betterments, renewals and replacements, substitutions, or proceeds from a permitted sale of any of the foregoing, and all building materials and supplies of every kind now or hereafter placed or located on the Land (collectively the "Improvements"), all of which are hereby declared and shall be deemed to be fixtures and accessions to the Land and a part of the Mortgaged Property as between the parties hereto and all persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the indebtedness herein described and to be secured by this Mortgage;

(c) All easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, minerals, flowers, shrubs, crops, trees, timber and other emblements now or hereafter located on the Land or under or above the same or any part or parcel thereof, and all ground leases, estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances, reversions, and remainders whatsoever, in any way belonging, relating or appertaining to the Mortgaged Property or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Mortgagor;

(d) All rents, issues, profits, revenues and proceeds of and from the Mortgaged Property, or any part thereof, from time to time accruing (including without limitation all payments under leases, ground leases or tenancies, proceeds of insurance, condemnation payments, tenant security deposits and escrow funds, and all proceeds from any sale or other disposition of the Mortgaged Property, or any part thereof), and all of the estate, right, title, interest, property, possession, claim and demands whatsoever at law, as well as in equity, of Mortgagor of, in and to the same, reserving only the right to Mortgagor to collect the same so long as Mortgagor is not in default hereunder or such collection is not otherwise restricted by this Mortgage;

(e) Any and all monies, rights and properties, of every kind or description, which may from time to time be sold, assigned, transferred, pledged, delivered to, or deposited with Mortgagee by the Mortgagor or on Mortgagor's behalf as additional security for the performance by the Mortgagor and/or the Borrower hereunder and/or under any of the other Loan Documents; and

(f) All of the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Mortgagor, in and to any of the foregoing.

TO HAVE AND TO HOLD the Mortgaged Property and all parts, rights, members and appurtenances thereof, to the use and benefit of Mortgagee and the successors, successors-in-title and assigns of Mortgagee, forever; and Mortgagor covenants that Mortgagor is lawfully seized and possessed of the Mortgaged Property as aforesaid and has good right to convey the same, that the same are unencumbered except for those matters expressly set forth in Exhibit A hereto, and Mortgagor does warrant and will forever defend the title thereto against the claims of all persons whomsoever, except as to those matters set forth in said Exhibit A.

PROVIDED, HOWEVER, that should the Secured Indebtedness secured by this Mortgage be paid according to the tenor and effect thereof when the same shall become due and payable as provided for in the Loan Documents, and should Borrower and Mortgagor perform all covenants contained in the Loan Documents in a timely manner, then this Mortgage shall be cancelled and released.

MORTGAGOR HEREBY FURTHER COVENANTS AND AGREES WITH MORTGAGEE AS FOLLOWS:

1. Borrower and/or Mortgagor shall pay the Secured Indebtedness, including any interest thereon, when due, whether in course or under any condition, covenant or agreement herein contained, together with any other indebtedness which Borrower and/or Mortgagor may owe to Mortgagee, it being further agreed that any statement in a note or obligation that it is secured by this Mortgage shall be conclusive evidence of such fact.

2. Mortgagor shall keep the Mortgaged Property in good condition and repair, reasonable wear and tear excepted; shall not permit nor perform any act which would in any way impair the value of the Mortgaged Property; shall not remove any fixture nor remove or demolish any building or improvement

located on the above described land without the written consent of Mortgagee; and shall neither commit nor permit waste of any of the Mortgaged Property;

3. Mortgagor shall pay and discharge as the same become due all taxes and assessments (except income taxes of the Mortgagee) that may accrue, be levied or assessed upon the Mortgaged Property or any part thereof, which may be or become a lien prior to the lien of this Mortgage or have priority in payment to the debt secured hereby, or upon Mortgagee's interest therein or upon this Mortgage or the indebtedness or evidence of indebtedness secured hereby, without regard to any law heretofore or hereafter enacted imposing payment of the whole or any part thereof upon the Mortgagee; upon the passage of any law imposing the payment of the whole or any part thereof upon the Mortgagee or upon the rendering by any appellate court of competent jurisdiction that the undertaking by the Mortgagor to pay such taxes in legally inoperative, then the Secured Indebtedness without deduction shall, at the option of Mortgagee, become immediately due and payable, notwithstanding anything contained in this Mortgage or any law heretofore or hereafter enacted; and Mortgagor shall not suffer or permit any such taxes or assessments on the Mortgaged Property to become or remain delinquent or permit any part thereof or any interest therein to be sold for any taxes or assessments.

4. Mortgagor shall pay all debts, claims, or other charges that may become liens against the Mortgaged Property or any part thereof for repairs or improvements that may have been, or may hereafter be, made on the Mortgaged Property and shall not permit any lien or encumbrance of any kind which might become superior to the title of Mortgagee or the lien of this Mortgage to accrue or remain on the Mortgaged Property or any part thereof.

5. Mortgagor shall provide, maintain, and deliver to Mortgagee policies of fire and such other insurance as Mortgagee may from time to time require in companies, form, and amounts satisfactory to Mortgagee upon the leasehold improvements and contents now or hereafter situated on the Mortgaged Property, and shall assign and deliver to Mortgagee with satisfactory mortgage clauses all insurance policies of any kind or in any amount now or hereafter issued upon the Mortgaged Property. Mortgagor shall continue said insurance in force throughout the life of this Mortgage. Mortgagor shall give immediate notice in writing to Mortgagee of any loss or damage to the Mortgaged Property caused by any casualty. Full power is hereby conferred on Mortgagee to settle any compromise claims under all policies and to demand, receive, and receipt for all monies becoming payable thereunder and to assign absolutely all policies to any endorsee of the Note or to the grantee of the Mortgaged Property in the event of the foreclosure of this Mortgage or other transfer of title to the Mortgaged Property, in extinguishment of the Secured Indebtedness. In the event of loss under any of the policies of insurance herein referred to, the proceeds of such policy shall be paid by the insurer to Mortgagee which, at its sole and absolute discretion, shall apply the same, wholly or partially, after deducting all costs of collection, including a reasonable attorney's fee, either as a payment on account of the Secured Indebtedness, whether or not then due or payable, or toward the alternation, reconstruction, repair, or restoration of the Mortgaged Property, either to the portion thereof by which said loss was sustained or any other portion thereof. In the event of foreclosure, Mortgagor's interest in said insurance policies shall automatically pass to the purchaser at foreclosure.

6. If Mortgagor fails to insure the Mortgaged Property, or to pay and furnish receipts for all taxes and assessments, or to pay debts, claims or other charges for repairs and improvement, or to keep the Mortgaged Property in good condition and repair, all as provided herein, Mortgagee may at its option procure such insurance, pay such taxes and assessments, redeem the property from any tax sale, procure such receipts, or enter upon the Mortgaged Property and make such repairs as it may deem necessary; and Mortgagor shall immediately pay to Mortgagee all sums which it shall have so paid, together with interest at the rate of 12% per annum from the date the same was paid, and for payment thereof, this Mortgage shall stand as security in like manner and effect as for the payment of the Secured Indebtedness referred to above; but the failure of Mortgagee to procure such insurance, to pay such taxes and assessments, to redeem the property from any tax

sale, or to make repairs shall in no way render Mortgagee liable to Mortgagor. If Mortgagee shall elect to advance insurance premiums, taxes or assessments, or redeem from tax sale, the receipt of the insurance company or of the proper tax official shall be conclusive evidence of the amount, validity and the fact of payment thereof.

7. Mortgagor shall immediately pay to Mortgagee all sums, including costs, expenses and reasonable agent's or attorney's fees which it may expend or become obligated to pay in any proceedings, legal or otherwise, to prevent the commission of waste; to establish or sustain the lien of this Mortgage or its priority, or to defend against liens, claims, rights, estates, easements or restrictions, asserting priority to this Mortgage; in payment, settlement, discharge or release of any asserted lien, claim, right, easement or restriction made upon advice of competent counsel that the same is superior to the lien of this Mortgage; or to recover any sums hereby secured, together with interest on all such sums at the rate of 12% per annum until paid; and for payment of such sums and interest, this Mortgage shall stand as security in like manner and effect as for the payment of the said indebtedness.

8. If default shall be made in the payment of the Secured Indebtedness or any part thereof in accordance with the terms thereof, or in the performance of any covenant, condition, or agreement of this Mortgage, then the whole Secured Indebtedness with all interest thereon, and all other amounts secured hereby shall, at the option of the Mortgagee, become immediately due and payable and this Mortgage subject to foreclosure; and Mortgagee shall have the right and is hereby authorized to enter upon and take possession of the Mortgaged Property, and after or without taking possession, to sell the same before the Courthouse door in the county where the above described real estate is located, at public outcry for cash, after having given notice of the time, place and terms of sale by publication once a week for three successive weeks prior to said sale in some newspaper published in said county, and, upon payment of the purchase money, Mortgagee or any person conducting said sale for Mortgagee is authorized and empowered to execute to the purchaser at said sale a deed to the property so purchased. And Mortgagee may bid at said sale and purchase said property, or any part thereof, if the highest bidder therefor.

9. The proceeds of said sale shall be applied: first, to the expenses of advertising and selling, including reasonable attorney's fees; second, to the repayment of any money, with interest thereon, which Mortgagee may have paid, or become liable to pay, or which it may then be necessary to pay, for taxes, assessments, insurance or other charges, liens or debts as hereinabove provided; third, to the payment and satisfaction of the Secured Indebtedness with interest to date of sale; fourth, the balance, if any, shall be paid to the party or parties appearing of record to be the owner of the Mortgaged Property at the time of the sale after deducting any expense of ascertaining who is such owner.

10. Mortgagor waives all homestead rights and rights of exemption pertaining to real or personal property as to any indebtedness secured by or that may be secured by this Mortgage, and Mortgagor waives the benefit of any statute regulating the obtaining of a deficiency judgment or requiring that the value of the Mortgaged Property be set off against any part of the Secured Indebtedness.

11. After foreclosure of this Mortgage, Mortgagor and all holding under it shall become and be conclusively presumed to be tenants at will of the purchaser at the foreclosure sale.

12. Any promise made by Mortgagor herein to pay money may be enforced by a suit at law, and the security of this Mortgage shall not be waived thereby, and as to such debts the Mortgagor waives all rights of exemption under the law and agree to pay a reasonable attorney's fee for the collection thereof.

13. No delay or failure of Mortgagee to exercise any option herein given or reserved shall constitute a waiver of such option or estop Mortgagee from afterwards exercising same or any other option at any time; and the payment or contracting to pay by Mortgagee of anything Mortgagor has herein agreed to

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Shelby Cnty Judge of Probate, AL
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pay shall not constitute a wavier of the default of Mortgagor in failing to make said payments and shall not estop Mortgagee from foreclosing this Mortgage on account of such failure of Mortgagor.

14. If Borrower and/or Mortgagor shall well and truly pay and discharge the Secured Indebtedness as it shall become due and payable (and all other indebtedness of Borrower and/or Mortgagor to Mortgagee now in existence or hereinafter contracted or arising, jointly or severally, contingent or absolute, direct or indirect, liquidate or unliquidated), and any and all renewals and extensions thereof, and shall do and perform all acts and agreements to be done and performed by Mortgagor under the terms and provisions of this Mortgage, then this conveyance shall be and become null and void, and Mortgagee shall satisfy this Mortgage at the expense of Mortgagor.

15. The term "Mortgagor", wherever used herein, shall mean the party or parties executing this Mortgage, jointly and severally, and all the covenants, conditions and agreements hereof shall bind their respective heirs, executors, administrators, successors and assigns and shall inure to the benefit of and be available to the successors and assigns of Mortgagee. The rights, options, powers and remedies herein provided shall be cumulative and no one or more of them shall be exclusive of the other or others, or of any right or remedy now or hereafter given or allowed by law.

16. It is agreed that all awards of damages in connection with any condemnation for public use of or injury to any of said property are hereby assigned and shall be paid to Mortgagee, who may apply the same to payment of the installments last due under the Note, and Mortgagee is hereby authorized in the name of Mortgagor, to execute and deliver valid acquittances thereof and to appeal from any such award.


17. If all or any part of the property, or any interest therein, is sold or transferred by Mortgagor without Mortgagee's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Mortgagee may, at Mortgagee's option, declare all the sums secured by this Mortgage to be immediately due and payable. Mortgagee shall have waived such option to accelerate if, prior to the sale or transfer, Mortgagee and the person to whom the property is to be sold or transferred reach agreement, in writing, that the credit of such person is satisfactory to Mortgagee and that the interest payable on the sums secured by this Mortgage shall be at such rate as Mortgagee shall request.

If Mortgagee exercises such option to accelerate, Mortgagee shall mail Mortgagor notice of acceleration. Such notice shall provide a period of not less than thirty (30) days from the date the notice is mailed within which Mortgagor may pay the sums declared due. If Mortgagor fails to pay such sums prior to the expiration of such period, Mortgagee may, without further notice or demand on Mortgagor, invoke any acceleration remedies.

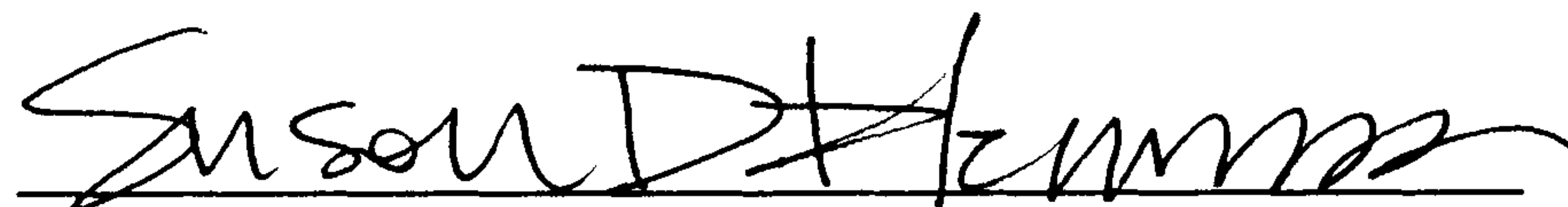
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Mortgagor has executed this instrument effective as of the day and year first above written.

MORTGAGOR:



Joseph H. Flemming, Jr.



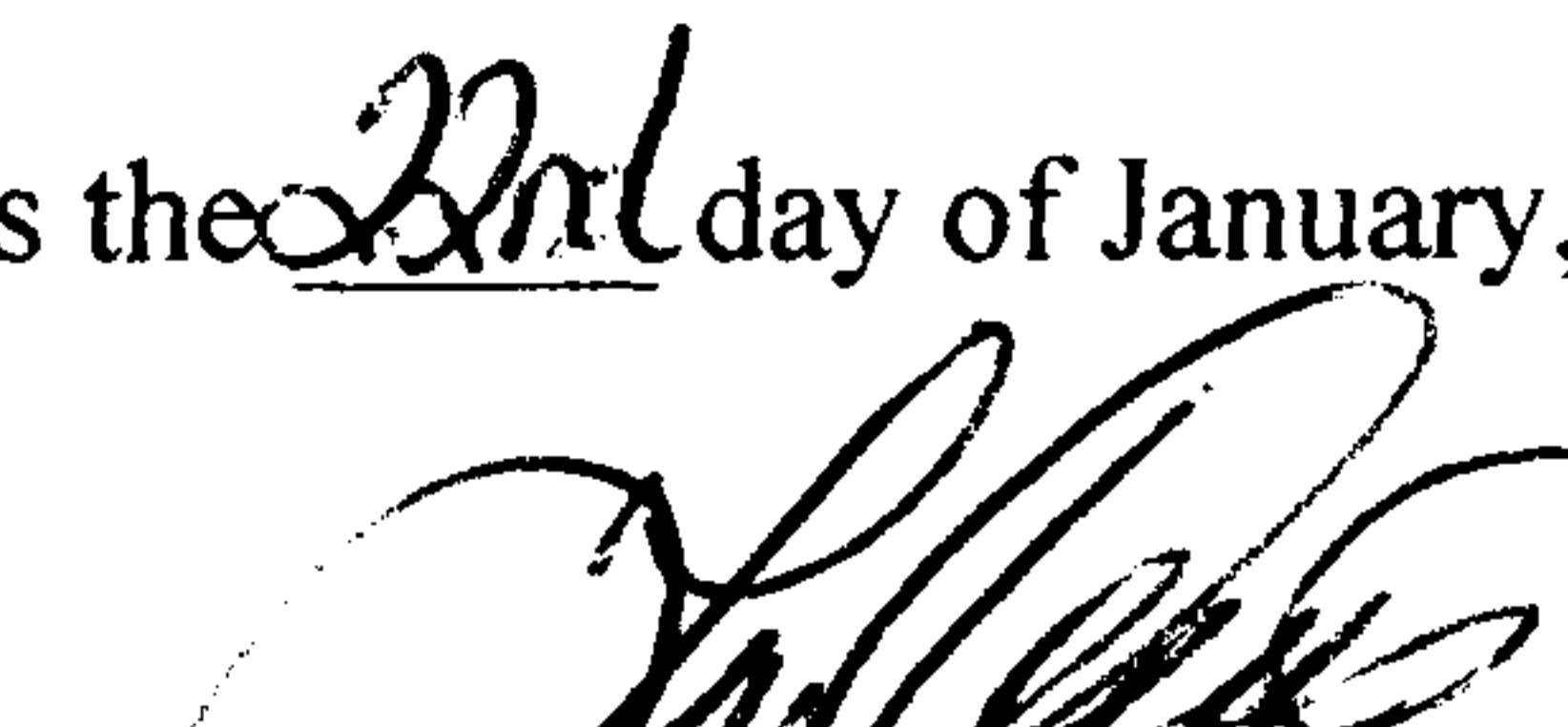
Susan D. Flemming

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Joseph H. Flemming, Jr., whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he executed the same voluntarily effective as of the day the same bears date.

Given under my hand and official seal, this the 22nd day of January, 2007.

(SEAL)




Notary Public
My Commission Expires: 2/13/07

STATE OF ALABAMA)
COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Susan D. Flemming, whose name is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, she executed the same voluntarily effective as of the day the same bears date.

Given under my hand and official seal, this the 22nd day of January, 2007.

(SEAL)



Notary Public
My Commission Expires: _____

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Oct 28, 2008
BONDED THRU NOTARY PUBLIC UNDERWRITERS

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Shelby Cnty Judge of Probate, AL
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EXHIBIT A

LEGAL DESCRIPTION

The following described property situated in Shelby County, Alabama:

Lot 1714, according to the Survey of Eagle Point, 17th Sector, as recorded in Map Book 30, Page 82, in the Probate Office of Shelby County, Alabama.

TITLE EXCEPTIONS

1. Taxes and assessments for the year 2007 and subsequent years which are not yet due and payable.
2. Mortgage dated August 29, 2003, from Mortgagor to Mortgage Electronic Registration Systems, Inc., as sole nominee for HMSV-USB Lending, filed for record September 2, 2003, recorded in Document No. 20030902000582870 in the Probate Office of Shelby County Alabama.
3. Mortgage dated December 21, 2005, from Mortgagor to BancorpSouth Bank, filed for record January 20, 2006, recorded in Document No. 20060120000032260 in the Probate Office of Shelby County, Alabama, as subordinated to this Mortgage pursuant to Subordination Agreement from BancorpSouth Bank in favor of Mortgagee executed simultaneously herewith.
4. Subdivision restrictions shown on record plat in Map Book 30, Page 82, provided for Construction of Single Family Residences only.
5. Right of Way granted to Alabama Power Company by instrument recorded in Volume 273, Page 201 and Volume 111, Page 408, in the Probate Office of Shelby County, Alabama.
6. Restrictions appearing of record in Real 290, Page 842, in the Probate Office of Shelby County, Alabama.
7. Declaration of Protective Covenants as recorded in Real 329, Page 434, and 1st Amendment recorded in Real 350, Page 775, in the Probate Office of Shelby County, Alabama.
8. Mineral and mining rights and rights incident thereto recorded in Volume 331, Page 262, in the Probate Office of Shelby County, Alabama.
9. Restrictions appearing of record in Instrument 2002/610540 and Instrument 2003/007540, in the Probate Office of Shelby County, Alabama.
10. Easement(s) as shown by recorded map.
11. Building line(s) as shown by recorded map.