
**FIRST AMENDMENT
OF
MORTGAGE, ASSIGNMENT OF LEASES
AND SECURITY AGREEMENT**

Dated: September 22, 2008

by

HILLTOP MONTESSORI SCHOOL, INC.
112 Olmsted Street
Birmingham, Alabama 35242


and

REGIONS EQUIPMENT FINANCE CORPORATION
Regions Center
1900 5th Avenue North
12th Floor
Birmingham, Alabama 35203

**THIS INSTRUMENT SHALL BE CROSS-INDEXED IN THE INDEX OF UNIFORM COMMERCIAL CODE
FINANCING STATEMENTS.**

**This instrument was prepared by Heyward C. Hosch of Walston, Wells & Birchall, LLP, One Federal
Place, 1819 5th Avenue North, Suite 1100, Birmingham, Alabama 35203**

STATE OF ALABAMA)
)
SHELBY COUNTY)


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Shelby Cnty Judge of Probate, AL
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**FIRST AMENDMENT
OF
MORTGAGE, ASSIGNMENT OF LEASES
AND SECURITY AGREEMENT**

THIS FIRST AMENDMENT OF MORTGAGE, ASSIGNMENT OF LEASES AND SECURITY AGREEMENT (this "Amendment") dated September 22, 2008 is entered into by HILLTOP MONTESSORI SCHOOL, INC., an Alabama corporation (the "Mortgagor"), and REGIONS EQUIPMENT FINANCE CORPORATION, an Alabama corporation, as successor to AmSouth Leasing Corporation, an Alabama corporation (the "Mortgagee").

Recitals

Mortgagor has heretofore delivered to AmSouth Leasing Corporation that certain Mortgage, Assignment of Leases and Security Agreement dated as of September 1, 2005 recorded in Instrument 20060105000007330 in the Office of the Judge of Probate of Shelby County, Alabama (the "Original Mortgage" and as amended by this Amendment and as the same may be further amended, modified or restated in the future, "the Mortgage"). Following the execution, delivery and recordation of the Original Mortgage, Regions Equipment Finance Corporation succeeded to the interest of AmSouth Leasing Corporation. Wherever the term "Mortgagee" appears in the Mortgage, that term means Regions Equipment Finance Corporation, successor to AmSouth Leasing Corporation. Other capitalized terms used in this Amendment without definition shall have the meanings assigned to them in the Original Mortgage.

Pursuant to that certain Development Agreement (the "Development Agreement") between the Mortgagor and EBSCO Development Company, Inc. (the "Developer"), the Developer (a) conveyed to the Mortgagor, among other property, the property described in the Original Mortgage (the "Original Project Site") for use as part of the Project, (b) agreed to convey to the Mortgagor certain additional property (referenced as the "Additional Conveyance Property" in the Development Agreement) abutting the Original Project Site and (c) agreed to construct a public road (referenced as the "Abbot Square Extension" in the Development Agreement) to the Additional Conveyance Property and the Original Project Site.

Under paragraph 4(e) of the Original Mortgage, the Mortgagor agreed to grant, bargain, sell and convey unto the Mortgagee all right, title and interest of the Mortgagor in and to the Additional Conveyance Property upon conveyance thereof to the Mortgagor by the Developer pursuant to Section 3 of the Development Agreement and execute, deliver and record such amendments to the Original Mortgage as the Mortgagee shall require to provide therefor.

The Abbot Square Extension has been completed. The Original Project Site and the Additional Conveyance Property have been combined into one lot and platted as Lot 1-03, Block 1, according to the Final Plat of the Private Subdivision of Mt Laurel - Phase I, Block I - Sector 1, as recorded in Map Book 37, page 110 in the Office of the Judge of Probate of Shelby county, Alabama (the "Platted Lot"). The boundaries of the Original Project Site and the Additional Conveyance Property lie wholly within the boundaries of the Platted Lot.

The Additional Conveyance Property has been conveyed to Mortgagor and the Mortgagee has executed and delivered this instrument to satisfy its obligations under paragraph 4(e) of the Original Mortgage and to confirm the lien of the Original Mortgage in and to the Original Project Site that is now a part of said Lot 1-03 and to subject the Additional Conveyance Property to the lien of the Original Mortgage.

Agreement

NOW, THEREFORE, in consideration of the foregoing Recitals and to secure the prompt payment of the Obligations , and also to secure the full and complete performance of each and every obligation, covenant, duty and agreement of the Mortgagor contained in the Mortgage:

ARTICLE 1

Granting Clauses

As security for the Obligations, in confirmation of the conveyances contained in the Original Mortgage and to convey the Additional Conveyance Property to Mortgagee subject to the terms of the Mortgage, the Mortgagor has bargained and sold and does hereby grant, bargain, sell, transfer, assign, set-over and convey to the Mortgagee, its successors and assigns, the property and interests in property described in the following Granting Clauses, and the Mortgagor has granted and does hereby grant to the Mortgagee security title to and a continuing security interest in said property and interests in property and all proceeds and products thereof:

- A. The real estate described on Exhibit A attached hereto and made a part hereof (the "Project Site"), which includes the Additional Conveyance Property and the real property encumbered by the Original Mortgage, and all improvements, structures, buildings and fixtures now or hereafter situated thereon (the "Project");
- B. All permits, easements, licenses, rights-of-way, contracts, appurtenances, privileges, immunities, tenements and hereditaments now or hereafter pertaining to or affecting the Project Site and the Project;
- C. The leasehold estate and interests of the Mortgagor in and to the Project Site under the Financing and Lease Agreement, together with all right, title and interest of the Mortgagor in and to all buildings, structures, improvements and fixtures now or hereafter located upon the Project Site, together with all right, title and interest of the Mortgagor in and to all easements, permits, licenses, rights-of-way, contracts, leases, tenements, hereditaments, appurtenances, rights, privileges, and immunities pertaining or applicable to the Project Site and interest therein, together with all right, title and interest of the Mortgagor in and to (i) all other rights, titles and privileges under the Financing and Lease Agreement, and (ii) all modifications, extensions and renewals of the Financing and Lease Agreement and (iii) all other, further or additional title, estate, options, privileges, interest or rights which the Mortgagor may now or hereafter acquire in and to the Project Site;
- D.
 - (i) All leases, written or oral, and all agreements for use or occupancy of any portion of the Project Site or the Project with respect to which the Mortgagor is the mortgagee, any and all extensions and renewals of said leases and agreements and any and all further leases or agreements, now existing or hereafter made, including subleases thereunder, upon or covering the use or occupancy of all or any part of the Project Site or the Project (all such leases, subleases, agreements and tenancies heretofore mentioned, being hereinafter individually referred to as a "Lease", and collectively referred to as the "Leases");
 - (ii) any and all guaranties of the lessee's and any sublessee's performance under any of the Leases;
 - (iii) the immediate and continuing right to collect and receive all of the rents, income, receipts, revenues, issues and profits now due or which may become due or to which the Mortgagor may now or shall hereafter (including during the period of redemption, if any) become entitled or may

demand or claim, arising or issuing from or out of the Leases or from or out of the Project Site or any of the Project, or any part thereof, including, but not limited to, minimum rents, additional rents, percentage rents, common area maintenance charges, parking charges, tax and insurance premium contributions, and liquidated damages following default, the premium payable by any lessee upon the exercise of any cancellation privilege provided for in any of the Leases, and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the Project Site or the Project, together with any and all rights and claims of any kind that the Mortgagor may have against any such lessee under the Leases or against any subtenants or occupants of the Project Site or any of the Project, all such moneys, rights and claims in this paragraph described being hereinafter referred to as the "Rents"; provided, however, so long as no Event of Default has occurred, the Mortgagor shall have the right under a license granted hereby to collect, receive and retain the Rents (but not prior to accrual thereof); and

(iv) any award, dividend or other payment made hereafter to the Mortgagor in any court procedure involving any of the lessees under the Leases in any bankruptcy, insolvency or reorganization proceedings in any state or federal court and any and all payments made by lessees in lieu of rent. The Mortgagor hereby appoints the Mortgagee as the Mortgagor's irrevocable attorney in fact to appear in any action and/or to collect any such award, dividend or other payment;

- E. All building materials, equipment, fixtures, tools, apparatus and fittings of every kind or character now owned or hereafter acquired by the Mortgagor for the purpose of, or used or useful in connection with, the Project, wherever the same may be located, including, without limitation, all lumber and lumber products, bricks, stones, building blocks, sand, cement, roofing materials, paint, doors, windows, hardware, nails, wires, wiring, engines, boilers, furnaces, tanks, motors, generators, switchboards, elevators, escalators, plumbing, plumbing fixtures, air-conditioning and heating equipment and appliances, electrical and gas equipment and appliances, stoves, refrigerators, dishwashers, hot water heaters, garbage disposers, trash compactors, other appliances, carpets, rugs, window treatments, lighting, fixtures, pipes, piping, decorative fixtures, and all other building materials, equipment and fixtures of every kind and character used or useful in connection with the Project;
- F. The Personal Property (as defined in the Financing and Lease Agreement) and any and all other personal property of every kind and nature owned by the Mortgagor now or at any time hereafter located on the Project Site or in the Project, including without limitation, all medical equipment, furniture, desks, chairs, book cases, shelving, computers, computer equipment, electronic equipment, private telephone systems, paging and public address systems, intercoms, books, audio-visual equipment and tools and equipment used in the maintenance and upkeep of the Project Site, the Project and any other Property;
- G. Any and all other real or personal property of every kind and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred to the Mortgagee, or in which the Mortgagee is granted a security interest, as and for additional security hereunder by the Mortgagor, or by anyone on behalf of, or with the written consent of, the Mortgagor;
- H. Each and every policy of hazard insurance now or hereafter in effect which insures the Property (but, in the case of blanket policies, only to the extent that such policy is applicable to the Property), or any part thereof (including without limitation the Personal Property and Project, or any part thereof), together with all right, title and interest of the Mortgagor in and to each and every such policy (but, in the case of blanket policies, only to the extent that such policy is applicable to the Property), including, but not limited to, all the Mortgagor's right, title and interest in and to any premiums paid on each such policy (but, in the case of blanket policies, only to the extent that such premiums are applicable to the Property), including all rights to return premiums;
- I. Any and all awards or payments, including all interest thereon, together with the right to receive the same, that may be made to the Mortgagor with respect to the Property as a result of (a) the exercise of

the right of eminent domain, (b) the alteration of the grade or of any street or (c) any other injury to or decrease in value of the Property;

All of the property and interests in property described in the foregoing Granting Clauses A through I, both inclusive, being herein sometimes collectively called the "Property" and the personal property described in Granting Clause E, F and G and all other personal property covered by the Mortgage being herein sometimes collectively called the "Personal Property";

SUBJECT, HOWEVER, to the liens, easements, rights-of-way and other exceptions described on Exhibit B attached hereto and made a part hereof ("Permitted Exceptions");

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

ARTICLE 2

Definitions

The Original Mortgage is hereby amended so that from and after the date hereof, the terms Project Site, Project, Lease, Leases, Rents, Property, Personal Property, and Permitted Exceptions shall have the meanings given to them in this Amendment. Wherever the terms Project Site, Project, Lease, Leases, Rents, Property, Personal Property, and Permitted Exceptions are used in the Original Mortgage, such terms shall be deemed to have the meaning given to such terms in this Amendment.

ARTICLE 4

No Defaults; Continuing Effect of the Original Mortgage

The Mortgagor represents and warrants that no Event of Default, or occurrence that with the passage of time or the giving of notice, or both, would constitute an Event of Default, under the Mortgage has occurred. The representations and warranties made by the Mortgagor in the Original Mortgage are as true and correct on the date hereof as when initially made, except as any such representation or warranty expressly relates to another date. Without limiting the generality of the foregoing sentence, all representations and warranties made in the Original Mortgage with respect to the Property, or any portion thereof, are true and correct as of the date of this Amendment with respect to the Property, or any portion thereof, as that term is defined in this Amendment. The Mortgagor acknowledges and agrees that there are no offsets or defenses to the obligations set forth in the Mortgage, as hereby amended. Except as amended hereby, the Mortgage and all covenants and other provisions contained therein shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the Mortgagor has caused this instrument to be executed in its name, under seal, by an officer thereof duly authorized thereunto, and the Mortgagee has caused this instrument to be executed in its name, under seal, by an officer thereof duly authorized thereunto.

HILLTOP MONTESSORI SCHOOL, INC.

By Eric J. Fox

Name: Eric J. Fox

Its: President

STATE OF ALABAMA)
Shelby COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Eric J. Fox, whose name as President of Hilltop Montessori School, Inc., an Alabama nonprofit corporation, is signed to the foregoing First Amendment of Mortgage, Assignment of Leases and Security Agreement, 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 such nonprofit corporation.

Given under my hand and seal this the 22nd day of September, 2008.



Mary Jo White
Notary Public

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: June 23, 2011
BONDED THRU NOTARY PUBLIC UNDERWRITERS

REGIONS EQUIPMENT FINANCE CORPORATION

By *B. Buckner*
Name: *B. Buckner*
Its *Vice President*

STATE OF ALABAMA
Jefferson COUNTY

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that *B. Buckner*, whose name as *B. Buckner* of Regions Equipment Finance Corporation, an Alabama corporation, is signed to the foregoing First Amendment of Mortgage, Assignment of Leases and Security Agreement 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.

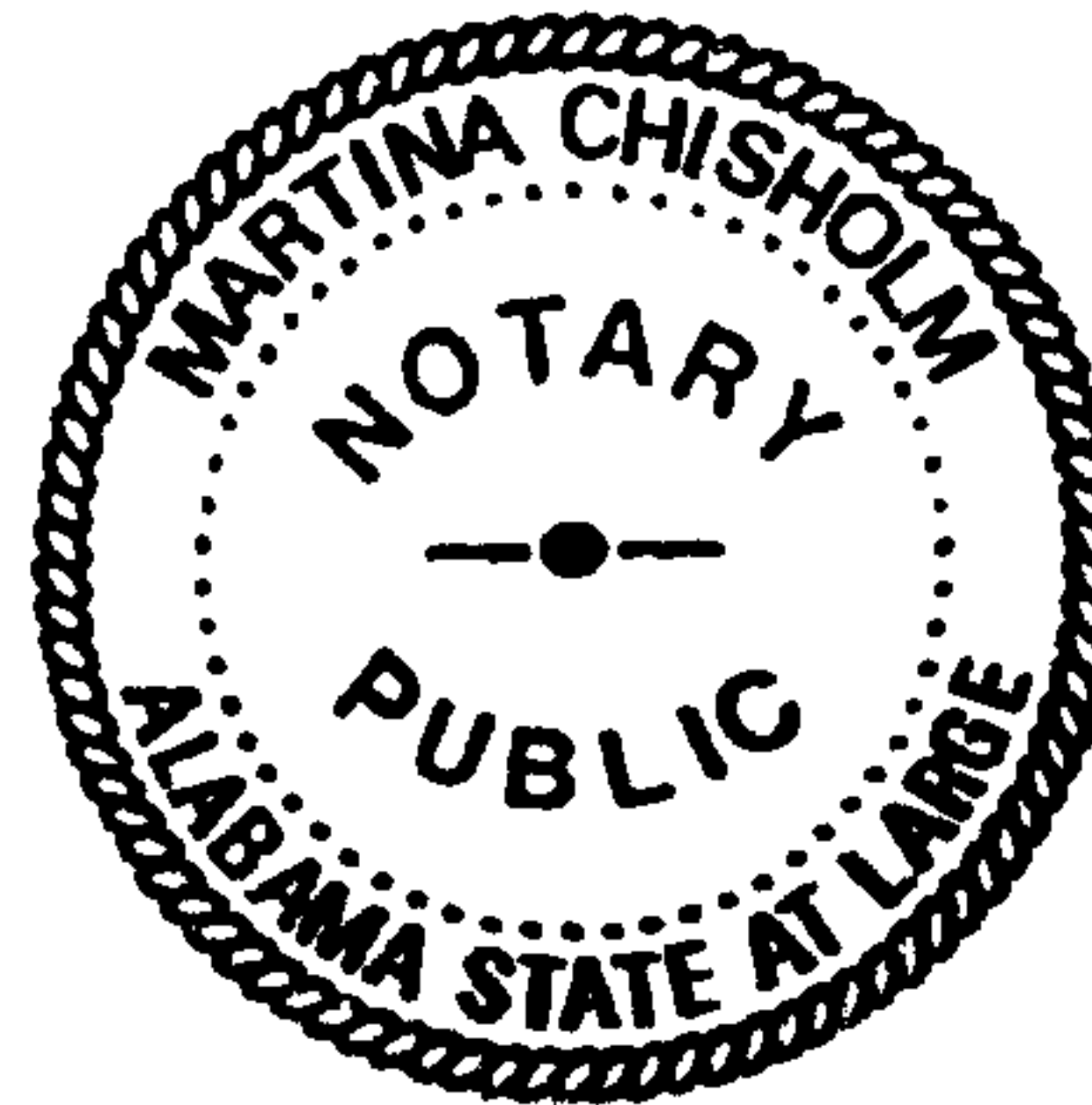
Given under my hand and seal this the *22* day of *September*, 2008.

M. Chisholm
Notary Public

NOTARIAL SEAL



My commission expires: _____





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Shelby Cnty Judge of Probate, AL
10/10/2008 02:10:47PM FILED/CERT

EXHIBIT A

Hilltop Montessori School – Combined Parcel Legal Description

**LOT 1-03, BLOCK 1, ACCORDING TO THE FINAL PLAT OF THE PRIVATE
SUBDIVISION OF MT LAUREL – PHASE I, BLOCK 1 – SECTOR 1, AS RECORDED IN
MAP BOOK 37, PAGE 110 IN THE OFFICE OF THE JUDGE OF PROBATE OF SHELBY
COUNTY, ALABAMA.**

EXHIBIT B

Permitted Exceptions

1. Taxes and assessments for the year 2008 and subsequent years, not yet due and payable.
2. Transmission Line Permit to Alabama Power Company as shown by instrument recorded in Deed Book 134 page 411 in the Probate Office
3. Covenants and Agreement for Water Service as recorded in Real 235 page 611 in the Probate Office.
4. Rights of Way granted to Shelby County by instruments recorded in Deed Book 196 page 248 and Deed Book 196 page 254 in the Probate Office.
5. Easements to Alabama Power Company as shown by instruments recorded in Deed Book 343 page 612; Inst. No. 2006063000031510; Inst. No. 20060630000315170; Inst. No. 20060630000315180; Inst. No. 20060630000315190; Inst. No. 20061212000602700; and Inst. No. 20061212000602710 in the Probate Office.
6. Easements to South Central Bell as shown by instruments recorded in Deed Book 342 page 825; Deed Book 342 page 822; and corrected by Deed Book 346 page 349 in the Probate Office.
7. Title to all minerals within and underlying the premises, together with all mining rights and other rights, privileges and immunities relating thereto, including rights set out in Deed Book 346 page 636 in the Probate Office.
8. Release of damages, restrictions, modifications, covenants, conditions, rights, privileges, immunities, and limitations, as applicable, as set out in and as referenced in deeds recorded in Deed Book 268 page 98 in the Probate Office.
9. Sewer System Easement as set out in Inst No. 20050629000325010 in the Probate Office.
10. Reservation of easement as set out in Deed recorded as Deed Book 346 page 636 in the Probate Office.
11. Restrictions, covenants, easements and conditions as set out in Declaration of Charter, Easements, Covenants and Restrictions of Mt Laurel, A Traditional Neighborhood Development as recorded in Inst. No. 2000-35579; amended by 1st Amendment thereto and recorded in Inst. No. 2000-36270 and re-recorded as Inst. No. 2000-38859; 2nd Amendment as recorded in Inst no. 2000-38860; 3rd Amendment as recorded in Inst. No. 2001-03681; 4th Amendment recorded as Inst. No. 20030213000091860; 5th Amendment recorded as Inst. No. 20030327000184530; 6th Amendment recorded as Inst. No. 20030327000184540; 7th Amendment recorded as Inst. No. 20030527000327720; 8th Amendment as recorded in Inst. No. 20040413000191810; 9th Amendment as recorded in Inst. #20040623000340720; 10th Amendment as recorded in Inst. #20041015000569110; 11th Amendment as recorded in Inst. # 20050714000352130; 12th Amendment recorded as Inst. No. 20061219000616320; 13th Amendment recorded as Inst. No. 20071022000487350; and 14th Amendment recorded as Inst. No. 2008718000289820 in the Probate Office.
12. Terms and conditions of the Development Agreement by and between EBSCO Development Company, Inc. and Hilltop Montessori School, Inc., dated January 4, 2006, and recorded as Inst. No. 20060105000007310, as affected by the Partial Termination of Development Agreement to be recorded in the Probate Office.
13. Use Restrictions and Release of Damages as set out in the Statutory Warranty Deed from EBSCO Development Company, Inc. to Hilltop Montessori School, Inc. dated January 4, 2006, and recorded as Inst. No. 20060105000007300, as affected by the Partial Termination of Use Restrictions to be recorded in the Probate Office.
14. Terms and conditions of the Repurchase Option by and between Hilltop Montessori School, Inc. and EBSCO Development Company, Inc., dated January 4, 2006, and recorded as Inst. No. 20060105000007320, as affected by 1st Amendment to Repurchase Option to be recorded in the Probate Office.