

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| A. NAME & PHONE OF CONTACT AT FILER [optional] Jenny G. Pair (205) 521-8345 | |
| B. SEND ACKNOWLEDGMENT TO: (Name and Address) Jenny G. Pair Bradley Arant Rose & White LLP 1819 Fifth Avenue North Birmingham, AL 35203 | |

20090102000000940 1/6 \$36.00
Shelby Cnty Judge of Probate, AL
01/02/2009 12:12:34PM FILED/CERT

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1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

| | | | | |
|--------------------------------------------------------------|-----------------------------------|----------------------------------------|----------------------------------------------------|-----------------------------------------------------------------------------|
| 1a. ORGANIZATION'S NAME WaterStone Development LLC | | | | |
| OR | | | | |
| 1b. INDIVIDUAL'S LAST NAME | | FIRST NAME | MIDDLE NAME | SUFFIX |
| 1c. MAILING ADDRESS 9190 Shiptown Road | | CITY Empire | STATE AL | POSTAL CODE 35063 |
| 1d. <u>SEE INSTRUCTIONS</u> | ADD'L INFO RE ORGANIZATION DEBTOR | 1e. TYPE OF ORGANIZATION LLC | 1f. JURISDICTION OF ORGANIZATION Alabama | 1g. ORGANIZATIONAL ID #, if any <input checked="" type="checkbox"/> NONE |

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

| | | | | |
|-----------------------------|-----------------------------------|--------------------------|----------------------------------|------------------------------------------------------------------|
| 2a. ORGANIZATION'S NAME | | | | |
| OR | | | | |
| 2b. INDIVIDUAL'S LAST NAME | | FIRST NAME | MIDDLE NAME | SUFFIX |
| 2c. MAILING ADDRESS | | CITY | STATE | POSTAL CODE |
| | | | | COUNTRY |
| 2d. <u>SEE INSTRUCTIONS</u> | ADD'L INFO RE ORGANIZATION DEBTOR | 2e. TYPE OF ORGANIZATION | 2f. JURISDICTION OF ORGANIZATION | 2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE |

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

| | | | | |
|-------------------------------------------------|--|------------------------|--------------------|----------------------------------|
| 3a. ORGANIZATION'S NAME Frontier Bank | | | | |
| OR | | | | |
| 3b. INDIVIDUAL'S LAST NAME | | FIRST NAME | MIDDLE NAME | SUFFIX |
| 3c. MAILING ADDRESS 16863 Highway 280 | | CITY Chelsea | STATE AL | POSTAL CODE 35043-8311 |

4. This FINANCING STATEMENT covers the following collateral:

See attached Exhibit B included herein by reference for description of collateral.

Filed With: Shelby County, Alabama Judge of Probate

This document is filed simultaneously with the Amended and Restated Mortgage and Security Agreement filed in Book _____, Page _____. **20090102000000930**

| | | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|---------------|---------------------|---------------|--------------|----------|----------------|
| 5. ALTERNATIVE DESIGNATION [if applicable]: | | LESSEE/LESSOR | CONSIGNEE/CONSIGNOR | BAILEE/BAILOR | SELLER/BUYER | AG. LIEN | NON-UCC FILING |
| 6. <input checked="" type="checkbox"/> This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable] | 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] | | All Debtors | | Debtor 1 | Debtor 2 | |
| 8. OPTIONAL FILER REFERENCE DATA | | | | | | | |

Shelby County, AL (WaterStone Development, LLC) (-----)

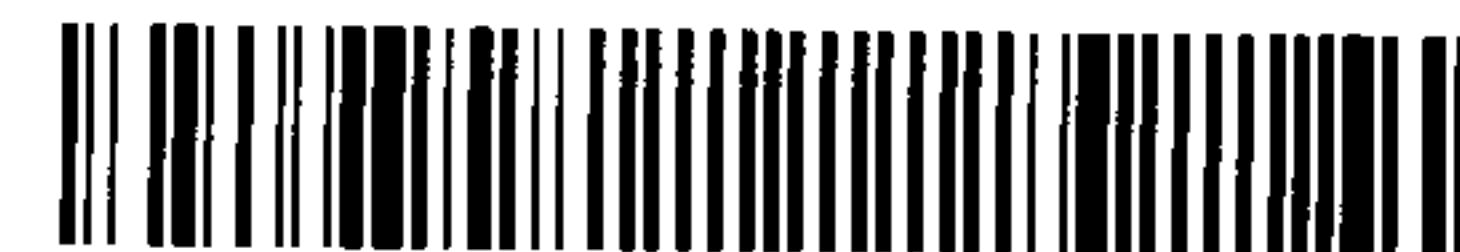
UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

| | | | |
|----------------------------|-----------------------------------|---------------------|--|
| 9a. ORGANIZATION'S NAME | | | |
| OR | WaterStone Development LLC | | |
| 9b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME, SUFFIX | |
| | | | |

10. MISCELLANEOUS:



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11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) - do not abbreviate or combine names

| | | | | |
|------------------------------|-----------------------------------|---------------------------|-----------------------------------|----------------------------------|
| 11a. ORGANIZATION'S NAME | | | | |
| OR | | | | |
| 11b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX | |
| | | | | |
| 11c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |
| | | | | |
| 11d. <u>SEE INSTRUCTIONS</u> | ADD'L INFO RE ORGANIZATION DEBTOR | 11e. TYPE OF ORGANIZATION | 11f. JURISDICTION OF ORGANIZATION | 11g. ORGANIZATIONAL ID #, if any |
| | | | | <input type="checkbox"/> NONE |

12. ☐ ADDITIONAL SECURED PARTY'S or ☐ ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

| | | | | |
|-----------------------------|------------|-------------|-------------|---------|
| 12a. ORGANIZATION'S NAME | | | | |
| OR | | | | |
| 12b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX | |
| | | | | |
| 12c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |
| | | | | |

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as-extracted collateral, or is filed as a ☒ fixture filing.

14. Description of real estate:

See Exhibit "A" attached hereto and made a part hereof.

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral description:

17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.

☐ Debtor is a TRANSMITTING UTILITY

☐ Filed in connection with a Manufactured-Home Transaction — effective 30 years

☐ Filed in connection with a Public-Finance Transaction — effective 30 years

EXHIBIT "A"
TO UCC-1 FINANCING STATEMENT
BY AND BETWEEN
WATERSTONE DEVELOPMENT, LLC, AS DEBTOR,
AND FRONTIER BANK, AS SECURED PARTY

PARCEL I:

The following described property situated in Shelby County, Alabama, to-wit:

Commence at the NW corner of the SW 1/4 of the NE 1/4 of Section 6, Township 22 South, Range 2 West; thence turn Eastwardly along the North line for a distance of 853.88 feet for the point of beginning; thence continue along last described course for a distance of 271.30 feet; thence turn an angle to the right of 84°42'14" for a distance of 1347.12 feet to the South line of said 1/4 1/4; thence turn an angle to the right of 95°27'20" along said South line for a distance of 277.50 feet; thence turn an angle to the right of 84°48'15" for a distance of 1345.81 feet to the point of beginning.

Less and except any part of subject property lying within a road right of way.

PARCEL II:

A parcel of land situated in the SW 1/4 of the NE 1/4 of Section 6, Township 22 South, Range 2 West, Shelby County, Alabama, and being more particularly described as follows:

Commence at the NE corner of the SE 1/4 of the NE 1/4 of said Section 6; thence North 87°20'08" West a distance of 1319.15 feet to the Point of Beginning; thence South 01°39'30" East a distance of 742.37 feet; thence North 87°12'15" West a distance of 275.23 feet; thence North 01°17'04" West a distance of 741.39 feet; thence South 87°20'08" East a distance of 270.33 feet to the Point of Beginning.

Less and except any part of subject property lying within a road right of way.

PARCEL III:

A parcel of land situated in the SE 1/4 of the NE 1/4 of Section 6, Township 22 South, Range 2 West, Shelby County, Alabama, and being more particularly described as follows:

Begin at the NE corner of the SE 1/4 of the NE 1/4 of said Section 6; thence North 87°20'08" West a distance of 1319.15 feet; thence South 01°39'30" East a distance of 742.37 feet; thence South 01°58'59" East a distance of 586.36 feet; thence South 87°38'13" East a distance of 1216.85 feet; thence North 01°49'04" West a distance of 150.00 feet; thence South 87°38'13" East a distance of 100.00 feet; thence North 01°43'22" West a distance of 201.27 feet; thence North 01°48'38" West a distance of 166.11 feet; thence North 01°42'08" West a distance of 804.26 feet to the Point of Beginning.

Less and except any part of subject property lying within a road right of way.

PARCEL IV:

Part of Section 6, Township 22 South, Range 2 West, Shelby County, Alabama, being more particularly described as follows:

From an existing 3 inch open top iron pipe found to be the most Southerly corner of Lot 4, the round table, as recorded in the Office of the Judge of Probate, Shelby County, Alabama, in Map

Book 7, page 38, and looking in a Northerly direction along the West line of said Lot 4 at the NW corner of said Lot 4, turn an angle to the left of $85^{\circ}54'13''$ and run in a Westerly direction for a distance of 1316.72 feet to a point on the North right of way line of Shelby County Highway No. 22 (being 40 feet from the center of said road) and being marked by an existing iron rebar set by Weygand and being the point of beginning; thence run in a Westerly direction along the North right of way line of said Shelby County Highway No. 22 for a distance of 279.01 feet to an existing iron rebar set by Wheeler; thence turn an angle to the right of $85^{\circ}30'27''$ and run in a Northerly direction for a distance of 585.62 feet to an existing iron rebar set by Weygand; thence turn an angle to the right of $94^{\circ}26'12''$ and run in an Easterly direction for a distance of 275.19 feet to an existing iron rebar set by Weygand and being 1.6 feet West of an existing fence; thence turn an angle to the right of $85^{\circ}11'36''$ and run in a Southerly direction for a distance of 586.20 feet, more or less, to the Point of Beginning.

LESS AND EXCEPT:

A parcel of land located in the South $1/2$ of the NE $1/4$ of Section 6, Township 22 South, Range 2 West, being more particularly described as follows:

Commence at the NW corner of the SW $1/4$ of the NE $1/4$ of Section 6, Township 22 South, Range 2 West; thence in an Easterly direction along the North line of said $1/4 - 1/4$ section a distance of 853.88 feet to the Northeast corner of Lot 2 of Heavenly Family Subdivision as recorded in Map Book 29, page 90, in the Office of the Judge of Probate in Shelby County, Alabama; thence a deflection angle right from the last described course of $86^{\circ}07'59''$ in a Southerly direction along the Easterly lines of Lots 1 and 2 of said Heavenly Family Subdivision a distance of 1325.98 feet to a point on the North right of way line of Shelby County Highway Number 22; thence an angle to the right from the last described course of $94^{\circ}03'23''$ in an Easterly direction and along said right of way line a distance of 278.19 feet; thence an angle to the right from the last described course of $85^{\circ}30'21''$ in a Northerly direction a distance of 372.26 feet; thence an interior angle to the left from the last described course of $89^{\circ}33'44''$ in an Easterly direction a distance of 5.35 feet to the Point of Beginning; thence an exterior angle to the right from the last described course of $90^{\circ}00'00''$ in a Northerly direction a distance of 90.45 feet; thence an interior angle to the left from the last described course of $105^{\circ}06'44''$ in a Northeasterly direction a distance of 190.34 feet; thence an interior angle to the left from the last described course of $90^{\circ}00'00''$ in a Southeasterly direction a distance of 47.65 feet to the beginning of a curve to the left having a radius of 50.00 feet and a central angle of $35^{\circ}55'38''$; thence in a Southeasterly direction along said curve and tangent to last described course an arc distance of 31.35 feet; thence an interior angle to the left from the chord of last described curve of $107^{\circ}57'49''$ in a Southwesterly direction a distance of 142.98 feet; thence an interior angle to the left from the last described course of $109^{\circ}43'26''$ in a Northwesterly direction a distance of 130.39 feet to the Point of Beginning.

Less and except any portion of subject property lying within a road right of way.

EXHIBIT "B"
TO UCC-1 FINANCING STATEMENT
BY AND BETWEEN
WATERSTONE DEVELOPMENT, LLC, AS DEBTOR,
AND FRONTIER BANK, AS SECURED PARTY

All of Debtor's right, title and interest in All those certain tracts, pieces or parcels of land located in Shelby County, Alabama, more particularly described in Exhibit A attached hereto and by this reference made a part hereof (the "Land");

All buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and all fixtures, machinery, equipment, furniture, furnishings, inventory and personal property of every nature whatsoever owned by the Debtor and located in, on, or used or intended to be used with or in connection with the operation of said property, buildings, structures, or other improvements, including all extensions, additions, improvements, betterments, renewals and replacements to any of the foregoing.

All building materials, equipment, fixtures, fittings, and personal property of every kind or character now owned or hereafter acquired by Debtor for the purpose of being used or useful in connection with the Improvements located or to be located on the Land, whether such materials, equipment, fixtures, fittings, and personal property are actually located on or adjacent to the Land or not, and whether in storage or otherwise, where so ever the same might be located, including, but without limitation, all lumber and lumber products, bricks, building stones, and building blocks, sand and cement, roofing material, paint, doors, windows, hardware, nails, wires and wiring, plumbing and plumbing fixtures, heating and air conditioning equipment and appliances, electrical and ornamental and decorative fixtures, furniture, ranges, refrigerators, dishwashers, disposals, washers, dryers, and in general all building materials and equipment of every kind and character used or useful in connection with said Improvements;

All of Debtor's right, title and interest in and to those certain lease agreements between Debtor and any and all tenants and lessees of the Land.


All easements, rights of way, gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances whatsoever, in any way belonging, relating or appertaining to the Land hereinabove described, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Debtor, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and all the estate, right, title, interest, property, possession, claim, and demand whatsoever at law, as well as in equity, of the Debtor of, in and to the same, including but not limited to:

All rents, profits, issues, and revenues of the Land from time to time accruing, whether under leases or tenancies now existing or hereafter created, reserving to Debtor, however,

so long as Debtor is not in default hereunder, the right to receive and retain the rents, issues, and profits thereof.

All existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions relating to the use and enjoyment of all or any part of the Land and the Improvements, and any and all guaranties and other agreements relating to or made in connection with any of such leases and all rents, profits, issues and revenues of the property from time to time accruing whether under the foregoing now existing or hereafter created, reserving to Debtor, however, so long as Debtor is not in default hereunder, the right to receive and retain the rents, issues and profits thereof.

All judgments, awards of damages, and settlements hereafter made resulting from condemnation proceedings or the taking of the Land or any part thereof under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Land or any part thereof, or to any rights appurtenant thereto, including any award for change of grade or streets. Secured Party hereby is authorized on behalf and in the name of Debtor to execute and deliver valid acquittances for, and appeal from, any such judgments or awards. Secured Party may apply to all such sums or any part thereof so received, after the payment of all its expenses, including costs and attorney's fees, on the indebtedness secured hereby in such manner as it elects, or at its option, the entire amount or any part thereof so received may be released.


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