

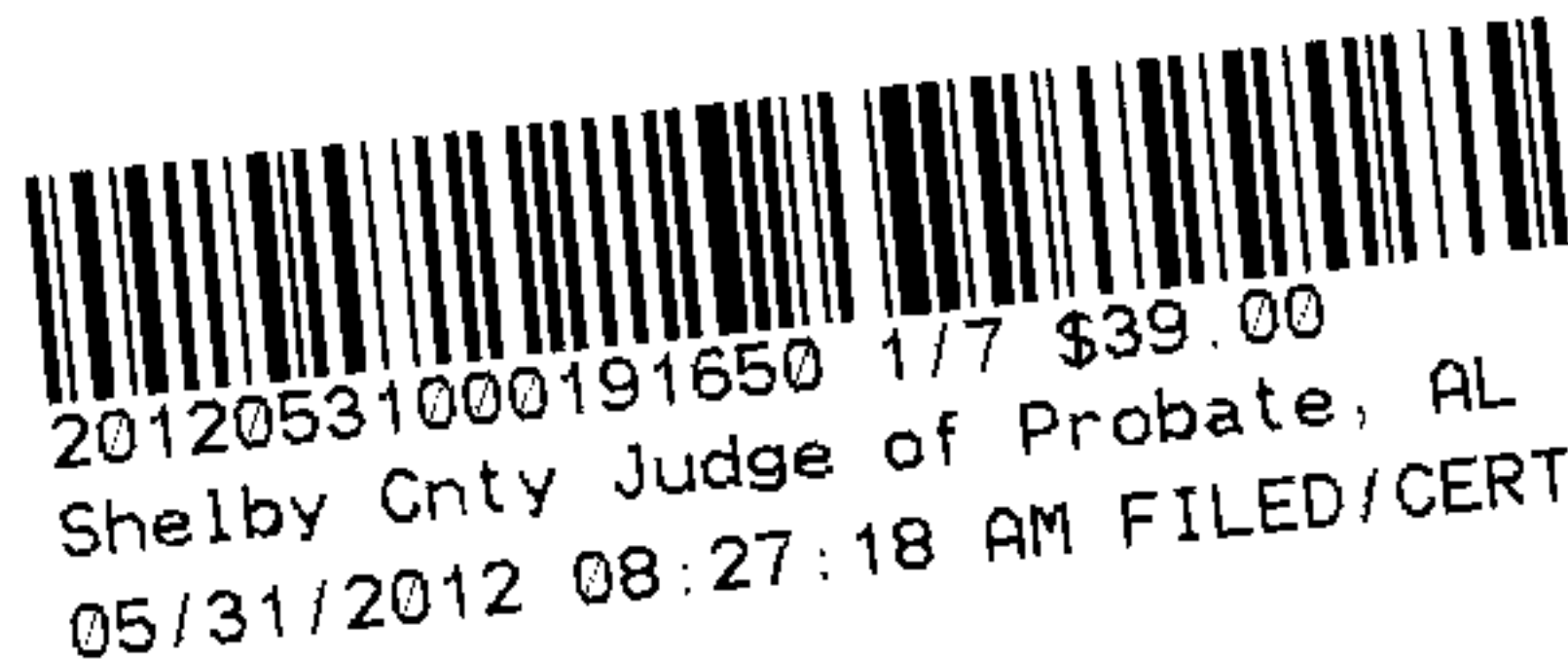
UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
Liz Gibbons @ 205-380-2643

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Liz Gibbons
Gibbons Graham LLC
100 Corporate Parkway
Suite 125
Birmingham, Alabama 35242



THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

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 Thornton New Home Sales, Inc. | | | | |
| OR | | | | |
| 1b. INDIVIDUAL'S LAST NAME | | FIRST NAME | MIDDLE NAME | SUFFIX |
| 1c. MAILING ADDRESS 5300 Cahaba River Road, Suite 200 | | CITY Birmingham | STATE AL | POSTAL CODE 35243 |
| | | COUNTRY USA | | |
| ADD'L INFO RE ORGANIZATION DEBTOR | | 1e. TYPE OF ORGANIZATION corporation | 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 Thornton, Inc. | | | | |
| OR | | | | |
| 2b. INDIVIDUAL'S LAST NAME | | FIRST NAME | MIDDLE NAME | SUFFIX |
| 2c. MAILING ADDRESS 5300 Cahaba River Road, Suite 200 | | CITY Birmingham | STATE AL | POSTAL CODE 35243 |
| | | COUNTRY USA | | |
| ADD'L INFO RE ORGANIZATION DEBTOR | | 2e. TYPE OF ORGANIZATION corporation | 2f. JURISDICTION OF ORGANIZATION Alabama | 2g. ORGANIZATIONAL ID #, if any <input checked="" 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 ServisFirst Bank | | | | |
| OR | | | | |
| 3b. INDIVIDUAL'S LAST NAME | | FIRST NAME | MIDDLE NAME | SUFFIX |
| 3c. MAILING ADDRESS 850 Shades Creek Parkway | | CITY Birmingham | STATE AL | POSTAL CODE 35209 |
| | | COUNTRY USA | | |

4. This FINANCING STATEMENT covers the following collateral:

See Schedule A attached hereto for description of Collateral.

This financing statement is being filed as additional security in connection with a Mortgage and Security Agreement being filed simultaneously herewith, on which the appropriate mortgage tax has been paid.

| | | | | | | | |
|---|--|---|---------------------|---------------|--------------|----------|----------------|
| 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 Filed with Shelby County, Alabama - Chelsea Station (SR01-00414) | | | | | | | |

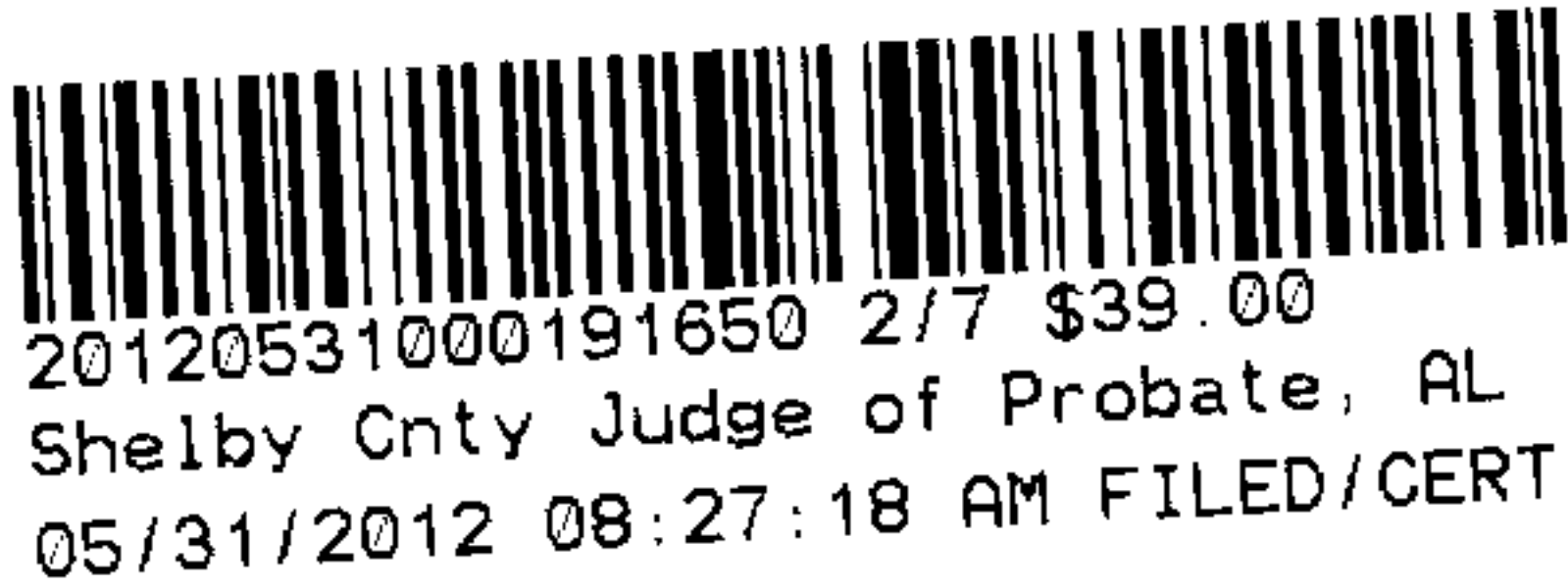
UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

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

| | | | |
|----|-------------------------------|------------|---------------------|
| OR | 9a. ORGANIZATION'S NAME | | |
| | Thornton New Home Sales, Inc. | | |
| | 9b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME, SUFFIX |

10. MISCELLANEOUS:



THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

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

| | | | | | | |
|----------------------|-----------------------------------|---------------------------|-----------------------------------|-------------|---|---------|
| OR | 11a. ORGANIZATION'S NAME | | | | | |
| | | | | | | |
| OR | 11b. INDIVIDUAL'S LAST NAME | | FIRST NAME | MIDDLE NAME | SUFFIX | |
| | | | | | | |
| 11c. MAILING ADDRESS | | | CITY | STATE | POSTAL CODE | COUNTRY |
| | | | | | | |
| 11d. | 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)

| | | | | | | |
|----------------------|-----------------------------|--|------------|-------------|-------------|---------|
| OR | 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 for description of real estate.

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 Public-Finance Transaction — effective 30 years

SCHEDULE "A" TO UCC-1 FINANCING STATEMENT
(DESCRIPTION OF COLLATERAL)

"Collateral" means the following: (A) the Mortgaged Property; (B) the Assigned Documents; (C) all amounts that may be owing from time to time by Bank to Borrower Party in any capacity, including, without limitation, any balance or share belonging to Borrower Party of any Deposit Accounts or other account with Bank; (D) any and all other assets of Borrower Party of any kind, nature or description and which are intended to serve as Collateral under any one or more of the Security Documents; and (E) all interest, dividends, Proceeds (including, but without limitation, insurance proceeds), products, rents, royalties, issues and profits of any of the property described above and all notes, certificates of deposit, checks and other instruments from time to time delivered to or otherwise possessed by Bank for or on behalf of Borrower Party in substitution for or in addition to any of said property.

As used in this Schedule "A", "Borrower" shall mean each Debtor singularly, and "Borrowers" shall mean both Debtors, collectively; "Bank" shall mean the Secured Party, and all other capitalized words and phrases shall, except as otherwise defined below, have the meaning as set forth in that certain Credit Agreement dated as of May 22, 2012 among Debtors and Secured Party (as amended from time to time, the "Credit Agreement") (and in the case of any conflict between the meanings set forth below and the meanings set forth in the Credit Agreement, the broader meaning shall apply), and as used herein:

"Proceeds", and other terms not specifically defined herein shall have the same respective meanings as are given to those terms in the Uniform Commercial Code as presently adopted and in effect in the State of Alabama (except in cases and with respect to Collateral when the perfection, the effect of perfection or nonperfection, and the priority of a Lien in the Collateral is governed by another Jurisdiction, in which case such capitalized words and phrases shall have the meanings attributed to those terms under such other Jurisdiction).

"Assigned Documents" means (i) the D.R. Horton Contract; (ii) the Sewer Service Agreement; (iii) the Construction Documents; (iv) the Assigned Leases; (v) any and all other agreements entered into by any Borrower Party with any property manager, broker, or other Person with respect to the ownership, development, management, leasing or operation of the Project; (vi) any and all Governmental Approvals with respect to the Project; and (vii) any and all operating, service, supply, and maintenance contracts with respect to the Project.

"Assigned Leases" means all leases presently existing or hereafter made, whether written or verbal, or any letting of, or agreement for the use or occupancy of, any part of the Mortgaged Property, and each modification, extension, renewal and guarantee thereof, including the Rents.

"Construction Documents" means any and all agreements entered into by any Borrower with any contractor, architect, engineer or other Person with respect to the Project, any and all renewals, extensions or modifications thereof and guaranties of performance to any Borrower thereunder, and any and all Plans and Specifications with respect thereto.


"D.R. Horton Contract" means that certain Lot Purchase Agreement with an effective date of March 30, 2012 between Thornton, Inc., as seller, and D.R. Horton, Inc.-Birmingham, as buyer, as amended from time to time.

"Mortgaged Property" means the "Mortgaged Property" as defined in the attached Schedule "A-1".

"Project" means 134 lots in the Chelsea Station subdivision (comprising the Land), and certain development work to be completed by Borrowers in connection therewith (including, but not limited to, the construction of a pool and swim clubhouse), as more particularly described in the Budget and the Plans and Specifications.

"Rents" means all the rents, issues, and profits now due and which may hereafter become due under or by virtue of the Assigned Leases, together with all claims and rights to the payment of money at any time arising in connection with any rejection or breach of any of the Assigned Leases under Bankruptcy Law, including without limitation, all rights to recover damages arising out of such breach or rejection, all rights to charges payable by a tenant or trustee in respect of the leased premises following the entry of an order for relief under Bankruptcy Law in respect of a tenant and all rentals and charges outstanding under the Assigned Leases as of the date of entry of such order for relief.

"Sewer Service Agreement" means that certain Sewer Service Agreement dated as of April 30, 2011 between Double Oak Water Reclamation, LLC and First Commercial Bank, a division of Synovus Bank, as assigned by First Commercial Bank, a division of Synovus Bank, to Thornton Inc. pursuant to that certain Assignment of Sanitary Sewer Capacity and Sanitary Sewer Service Agreement dated as of May 21, 2012, and as amended from time to time.


20120531000191650 4/7 \$39.00
Shelby Cnty Judge of Probate, AL
05/31/2012 08:27:18 AM FILED/CERT

SCHEDULE "A-1" TO UCC-1 FINANCING STATEMENT
(DESCRIPTION OF MORTGAGED PROPERTY)

All of each Borrower's Interest in and to the following described land and interests in land, estates, easements, rights, improvements, personal property, fixtures, equipment, furniture, furnishings, appliances and appurtenances, whether now owned or hereafter acquired, and 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");

(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 any Borrower 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");

(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 any Borrower;

(d) All rents, issues, profits, revenues and proceeds from any sale or other disposition of 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 of the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of any Borrower of, in and to the same; and

(e) All leases presently existing or hereafter made, whether written or verbal, or any letting of, or agreement for the use or occupancy of, any part of the Mortgaged Property, and each modification, extension, renewal and guarantee thereof (collectively, the "Assigned Leases"), including, without limitation, all the rents, issues, and profits now due and which may hereafter become due under or by virtue of the Assigned Leases, together with all claims and rights to the

payment of money at any time arising in connection with any rejection or breach of any of the Assigned Leases under Bankruptcy Law, including without limitation, all rights to recover damages arising out of such breach or rejection, all rights to charges payable by a tenant or trustee in respect of the leased premises following the entry of an order for relief under the Bankruptcy Law in respect of a tenant and all rentals and charges outstanding under the Assigned Lease as of the date of entry of such order for relief..



EXHIBIT "A"
(DESCRIPTION OF LAND)

PARCEL I:

Lots 1, 2, 7, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 76, 77, 78, 79, 80, 81, 82, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 129, 130, 131, 132, 135, and 137, according to the Survey of Chelsea Station, as recorded in Map Book 38, page 109, in the Probate Office of Shelby County, Alabama.

PARCEL II:

Lots 8, 9, 10, 11, 12, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 66A, 67, 68, 69, 70, 71, 72, 73, 74, 75, 125, 126, 127, 128, and 136, according to the Survey of Chelsea Station, as recorded in Map Book 38, page 109, in the Probate Office of Shelby County, Alabama.

PARCEL III:

Lots 27, 28, 201, 202, 203, and 204 according to the Survey of Chelsea Station, as recorded in Map Book 38, page 109, in the Probate Office of Shelby County, Alabama.

Note: The above described lots are designated as Easements and Common Areas on said map.

