

Prepared By and Return to:
William R. Bradley, Jr., Attorney - Bar No. 4275
Glankler Brown, PLLC
6000 Poplar Avenue, Suite 400
Memphis, Tennessee 38119
(901) 525-1322

Indexing Instructions:
SW ¼ of Section 27,
T1S, Range 6W and part of
Seminary 1 – Lot Subdivision
Plat Book 59, Page 17
DeSoto County, MS

Please note this instrument on
margin of instrument recorded
in Book 2619 at Page 94

MODIFICATION AND EXTENSION AGREEMENT

THIS MODIFICATION AND EXTENSION AGREEMENT is entered into as of the 3rd day of October, 2012, by and between VINEYARD APARTMENTS I LLC, a Mississippi limited liability company ("Borrower"), JAMES P. CARNEY, JR. and GEORGE R. WALKER, III ("Guarantors"), and TRUSTMARK NATIONAL BANK ("Bank").

WITNESSETH:

WHEREAS, on the 17th day of November, 2006, Borrower executed a Master Promissory Note (as previously amended and modified, the "Note") in the principal sum of Eleven Million Two Hundred Thousand and No/100 Dollars (\$11,200,000.00) payable to the order of Bank, secured by a Construction Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "Deed

7

of Trust") of even date therewith executed by Borrower and conveying to T. Harris Collier, III, Trustee, for the benefit of Bank certain real property (the "Property") located in the County of DeSoto, State of Mississippi, as more particularly described in the Deed of Trust, which was recorded in Book 2,619, Page 94 in the Chancery Clerk's Office of DeSoto County, Mississippi; and

WHEREAS, the parties by means of this Instrument desire to modify the terms of the Note and extend the maturity date of the Note and extend the lien of the Deed of Trust, without, however, releasing or affecting the priority of the Deed of Trust;

NOW, THEREFORE, FOR MUTUAL CONSIDERATIONS, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Acknowledgement of Debt. It is hereby acknowledged that the outstanding principal balance under the Note is \$9,366,501.63.

2. Modification of Note – Interest Rate Adjustment. It is agreed that the Note is hereby modified to adjust the interest rate effective as of the date hereof, to a variable rate per annum equal to the Prime Rate (hereafter defined), changes in the rate to be charged under the Note to become effective without notice to Borrower on the effective date of any change in the Prime Rate. The term "Prime Rate", as used herein, shall refer to the "Prime Rate" of Bank whether or not such rate is otherwise published. Regardless of any changes in the Prime Rate, the variable rate of interest upon the indebtedness evidenced by the Note shall never be more than the maximum rate allowable under applicable law.

3. Modification of Note – Payment Schedule. The Note is hereby modified to change the repayment schedule as follows:

commencing on October 10, 2012, and continuing on the same day of each consecutive month thereafter until Maturity (hereafter defined), installments of principal and interest in the amount of \$59,659.10 shall be due and payable until November 16, 2014 ("Maturity") at which time the outstanding principal balance together with all accrued and unpaid interest shall be due and payable in full. In the event the initial rate of interest on the Note of 3.25% either increases or decreases prior to Maturity, the amount of the monthly installments of principal and interest shall be adjusted either upward or downward in accordance with the original twenty (20) year amortization schedule of the Note.

4. Modification of Deed of Trust. The Deed of Trust is hereby modified to reflect the changes in the Note as stated above and to extend the lien thereof. All references in the Deed of Trust to the Note or the indebtedness secured thereby shall henceforth be deemed to refer to the Note as herein modified.

5. Debt Service Coverage Covenant. Borrower hereby agrees that the loan evidenced by the Note shall maintain a Debt Service Coverage Ratio ("DSCR") (hereafter defined) equal to or greater than 1.20:1.00 which shall be tested semiannually.

As used herein, the DSCR is defined as net operating income ("NOI") divided by the Debt Service ("DS") (hereafter defined). NOI shall be calculated based on income from the Property as shown on the then current rent roll, annualized, less the trailing twelve (12) months operating expenses on the Property (excluding any capital expenditures). The NOI calculation shall include a vacancy factor equal to the greater of actual vacancy or seven percent (7%) and a minimum annual replacement reserve expense factor equal to \$250.00 per unit. DS shall be calculated based on the principal balance of the Note at the time of the applicable DSCR test, the actual interest annualized, and principal that would be due assuming a twenty-five (25) year mortgage amortization and a synthetic principal amortization rate of five percent (5%) per annum.

6. Joinder of Guarantors. Guarantors join in the execution of this Agreement for the

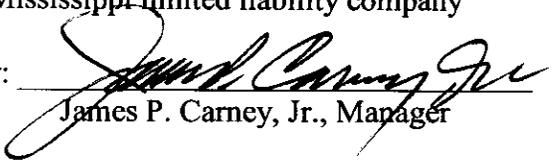
purpose of consenting to the modification and extension of the Note and the Deed of Trust.

7. Reaffirmation of Obligations. All terms and provisions of the Note and Deed of Trust not herein specifically modified or amended shall remain in full force and effect and are hereby reaffirmed by the parties hereto. The execution and delivery of this Agreement does not constitute payment, cancellation, satisfaction, discharge, release, extinguishment or novation of the principal indebtedness evidenced by the Note.

IN WITNESS WHEREOF, this Agreement is executed as of the day and year first above written.

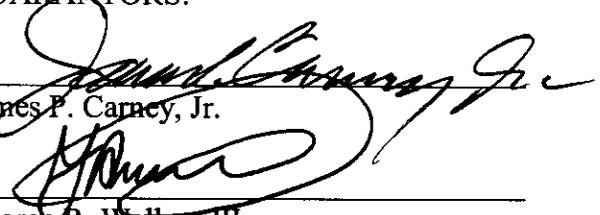
VINEYARD APARTMENTS I LLC,
a Mississippi limited liability company

By: _____


James P. Carney, Jr., Manager

GUARANTORS:

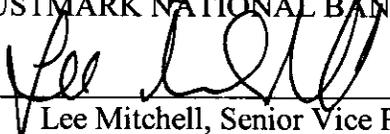
James P. Carney, Jr.



George R. Walker, III

TRUSTMARK NATIONAL BANK

By: _____


Lee Mitchell, Senior Vice President

STATE OF MS
COUNTY OF Hinds

Before me, a Notary Public in and for said State and County duly commissioned and qualified, personally appeared JAMES P. CARNEY, JR. with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the Manager of VINEYARD APARTMENTS I LLC, the within named bargainer, a limited liability company, and that he as such Manager being authorized so to do, executed and delivered the foregoing instrument for the purposes therein contained, by signing the name of the bargainer by himself as Manager.

Witness my hand and official seal at office this 3rd day of October, 2012.

Talia P. Moore
Notary Public

My Commission Expires:



STATE OF MS
COUNTY OF Hinds

Before me, a Notary Public in and for said State and County duly commissioned and qualified, personally appeared LEE MITCHELL with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the Senior Vice President of TRUSTMARK NATIONAL BANK, the within named bargainer, and that he as such Senior Vice President being authorized so to do, executed and delivered the foregoing instrument for the purposes therein contained, by signing the name of the Bank by himself as Senior Vice President.

Witness my hand and official seal at office this 3rd day of October, 2012.

Talia P. Moore
Notary Public

My Commission Expires:



STATE OF MS
COUNTY OF Hinds

Personally appeared before me, the undersigned authority in and for said State and County, on this 3rd day of October, 2012, within my jurisdiction the within named JAMES P. CARNEY, JR. who acknowledged that they executed and delivered the same as his free act and deed on the day and year therein mentioned.

Given under my hand and seal of office.

Talia P. Moore

Notary Public

My Commission Expires:



STATE OF MS
COUNTY OF Hinds

Personally appeared before me, the undersigned authority in and for said State and County, on this 3rd day of October, 2012, within my jurisdiction the within named GEORGE R. WALKER, III, who acknowledged that they executed and delivered the same as his free act and deed on the day and year therein mentioned.

Given under my hand and seal of office.

Talia P. Moore

Notary Public

My Commission Expires:



BORROWER'S PHONE NUMBER:

BANK'S PHONE NUMBER:
(601) 208-2948