

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number \_\_\_\_\_

Meeting Type: Regular

Meeting Date: 9/26/2013

Action Requested By:  
Legal

Agenda Item Type  
Resolution

**Subject Matter:**

Invoke letter of credit.

**Exact Wording for the Agenda:**

Resolution authorizing the Clerk-Treasurer to invoke Redstone Federal Credit Union Letter of Credit No. 719874-LC3 for Chase Creek West Phase II Subdivision.

**Note: If amendment, please state title and number of the original**

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

[Empty box for providing details on why the action is required, recommended, and what council action will provide, allow, and accomplish.]

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head [Signature]

Date: 9-19-13

RESOLUTION NO. 13-\_\_\_\_\_

WHEREAS, Redstone Federal Credit Union issued a certain letter of credit (No. 719874-LC3), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to Redstone Federal Credit Union Letter of Credit No. 719874-LC3, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 26th day of September, 2013.

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President of the City Council  
of the City of Huntsville,  
Alabama

APPROVED this the 26th day of September, 2013.

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Mayor of the City of  
Huntsville, Alabama

REDSTONE  
FEDERAL CREDIT UNION

*Spud*

IRREVOCABLE STANDBY LETTER OF CREDIT

**Beneficiary:**

City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

**Account Party:**

Chase Creek, LLC  
ATTN: John Hayden  
PO Box 542  
Huntsville, AL 35804

**Credit Union:**

Redstone Federal Credit Union  
Business Services Department  
220 Wynn Drive  
Huntsville, Alabama 35893

**Subject:** Article 5 Sidewalk, Letter of Credit for Chase Creek West Phase II, a Resubdivision of Lot 2 Chase Creek West

**Amount:** \$10,025.00  
**Issue Date:** October 3, 2012  
**Expiration Date:** October 3, 2013

**Gentlemen:**

We hereby renew and extend the expiration date of our existing Irrevocable Standby Letter of Credit # 719874-LC3(R) in your favor, effective October 3, 2012, for a sum not to exceed the aggregate of \$10,025.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Redstone Federal Credit Union, Business Lending Department.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

**The original of this Letter of Credit must be presented with any drawing.**

We hereby engage with you that drafts drawn and in compliance with the terms of the Credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

Sincerely,

*John N. Cook*  
John Cook  
Assistant Vice President  
Business Services

*DB 8-21-12*

*MW 8-21-12*

Confidential

*OK 8/22/12*

*OK 8/23/12*



**REDSTONE FEDERAL CREDIT UNION**  
 220 Wynn Drive  
 Huntsville, Alabama 35893  
**BUSINESS LENDING DEPARTMENT**

Amendment to  
 Chase Creek 6  
 Sidewalks

**IRREVOCABLE STANDBY LETTER OF CREDIT**

**Beneficiary:**

City of Huntsville  
 P.O. Box 308  
 Huntsville, AL 35804

**Account Party:**

Chase Creek, LLC  
 ATTN: John Hayden  
 PO Box 542  
 Huntsville, AL 35804

**Credit Union:**

Redstone Federal Credit Union  
 Business Services Department  
 220 Wynn Drive  
 Huntsville, Alabama 35893

**Subject:** Article 5 Sidewalk, Letter of Credit for Chase Creek West Phase II, a Resubdivision of Lot 2 Chase Creek West

**Amount:** \$10,025.00  
**Issue Date:** October 3, 2011  
**Expiration Date:** October 3, 2012

**Gentlemen:**

We hereby renew and extend the expiration date of our existing Irrevocable Standby Letter of Credit # 719874-LC3(R) in your favor, effective October 3, 2011, for a sum not to exceed the aggregate of \$10,025.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Redstone Federal Credit Union, Business Lending Department.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

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This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

Sincerely,

*John M. Cook*  
 John Cook  
 Assistant Vice President  
 Business Services

ok DS 8/14/11

MW 8-17-11

ok KCA 8/19/11

OK  
 CRD  
 8/19/11



**REDSTONE FEDERAL CREDIT UNION**  
220 Wynn Drive  
Huntsville, Alabama 35893

**BUSINESS LENDING DEPARTMENT**

**IRREVOCABLE STANDBY LETTER OF CREDIT**

**Beneficiary:**

City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

**Account Party:**

Chase Creek, LLC  
ATTN: John Hayden  
PO Box 542  
Huntsville, AL 35804

**Credit Union:**

Redstone Federal Credit Union  
Business Services Department  
220 Wynn Drive  
Huntsville, Alabama 35893

**Subject:** Article 5 Sidewalk, Letter of Credit for Chase Creek West Phase II, a Resubdivision of Lot 2 Chase Creek West

**Amount:** \$10,025.00  
**Issue Date:** October 3, 2010  
**Expiration Date:** October 3, 2011

**Gentlemen:**

We hereby renew and extend the expiration date of our existing Irrevocable Standby Letter of Credit # 719874-LC3(R) in your favor, effective October 3, 2010, for a sum not to exceed the aggregate of \$10,025.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Redstone Federal Credit Union, Business Lending Department.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

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This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

Sincerely,

*John N. Cook*  
John N. Cook  
Assistant Vice President  
Business Services

*M* 8-17-10  
*N*

OK  
CZB  
8/23/10

OK MC  
8/17/10

OK KCA  
8/20/10



**REDSTONE FEDERAL CREDIT UNION**  
220 Wynn Drive  
Huntsville, Alabama 35893  
**BUSINESS LENDING DEPARTMENT**

**IRREVOCABLE STANDBY LETTER OF CREDIT**

**Beneficiary:**

City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

**Account Party:**

Chase Creek, LLC  
ATTN: Forest R Knowles  
111 Railway Lane S. E.  
Huntsville, AL 35803

**Credit Union:**

Redstone Federal Credit Union  
Business Services Department  
220 Wynn Drive  
Huntsville, Alabama 35893

**Subject:** Article 5 Sidewalk, Letter of Credit for Chase Creek West Phase II, a Resubdivision of Lot 2 Chase Creek West

**Amount:** \$10,025.00  
**Issue Date:** October 3, 2009  
**Expiration Date:** October 3, 2010

**Gentlemen:**

We hereby renew and extend the expiration date of our existing Irrevocable Standby Letter of Credit # 719874-LC3(R) in your favor, effective October 3, 2009, for a sum not to exceed the aggregate of \$10,025.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Redstone Federal Credit Union, Business Lending Department.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

**The original of this Letter of Credit must be presented with any drawing.**

We hereby engage with you that drafts drawn and in compliance with the terms of the Credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

Sincerely,

*John N. Cook*  
John Cook  
Assistant Vice President  
Business Services

OK  
CEA  
8/19/09

OK WPC  
8/17/09  
OK IMB

OK CEA 8/19/09



**REDSTONE FEDERAL CREDIT UNION**  
 220 Wynn Drive  
 Huntsville, Alabama 35893  
**BUSINESS LENDING DEPARTMENT**

**IRREVOCABLE STANDBY LETTER OF CREDIT**

**Beneficiary:**

City of Huntsville  
 P.O. Box 308  
 Huntsville, AL 35804

**Account Party:**

Chase Creek, LLC  
 Attention: Forest R. Knowles  
 111 Railway Lane, S.E.  
 Huntsville, AL 35803

**Credit Union:**

Redstone Federal Credit Union  
 Business Lending Department  
 220 Wynn Drive  
 Huntsville, Alabama 35893

**Subject:** Article 5 Sidewalk, Letter of Credit for Chase Creek West Phase II, a Resubdivision of Lot 2 Chase Creek West

**Amount:** \$10,025.00  
**Issue Date:** October 3, 2008  
**Expiration Date:** October 3, 2009

gentlemen:

We hereby renew and extend the expiration date of our existing Irrevocable Standby Letter of Credit # 719874-LC3(R) in your favor, effective October 3, 2008, for a sum not to exceed the aggregate of \$10,025.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Redstone Federal Credit Union, Business Lending Department.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

**The original of this Letter of Credit must be presented with any drawing.**

We hereby engage with you that drafts drawn and in compliance with the terms of the Credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

Sincerely,

*Rob E. Wright*  
 Rob E. Wright  
 Vice President  
 Business Retail

OK  
 CEH  
 10/16/08

OK OK 10/17/8

AM 10-15-08

OK KCA  
 10/15/08



**REDSTONE FEDERAL CREDIT UNION**  
 220 Wynn Drive  
 Huntsville, Alabama 35893  
**BUSINESS LENDING DEPARTMENT**

*SW  
 JH*

**IRREVOCABLE STANDBY LETTER OF CREDIT**

**Beneficiary:**

City of Huntsville  
 P.O. Box 308  
 Huntsville, AL 35804

**Account Party:**

Chase Creek, LLC  
 626 Clinton Avenue  
 Suite 103  
 Huntsville, AL 35801

**Credit Union:**

Redstone Federal Credit Union  
 Business Lending Department  
 220 Wynn Drive  
 Huntsville, Alabama 35893

**Subject:** Article 5 Sidewalk, Letter of Credit for Chase Creek West Phase II, a Resubdivision of Lot 2 Chase Creek West

**Amount:** \$10,025.00  
**Issue Date:** October 3, 2007  
**Expiration Date:** October 3, 2008

**Gentlemen:**

We hereby renew and extend the expiration date of our existing Irrevocable Standby Letter of Credit # 719874-LC3(R) in your favor, effective October 3, 2007, for a sum not to exceed the aggregate of \$10,025.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Redstone Federal Credit Union, Business Lending Department.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

**The original of this Letter of Credit must be presented with any drawing.**

We hereby engage with you that drafts drawn and in compliance with the terms of the Credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

Sincerely,

*Jack Wright*  
 Jack Wright  
 Assistant Vice President  
 Business Lending Department

*OK  
 CCB  
 10/4/07*

*OK OK 9/25/7 OK JMB 10/3/07 OK KCB 1.1.7*



**REDSTONE FEDERAL CREDIT UNION**  
 220 Wynn Drive  
 Huntsville, Alabama 35893  
**BUSINESS LENDING DEPARTMENT**

**IRREVOCABLE STANDBY LETTER OF CREDIT**

**Beneficiary:**

City of Huntsville  
 P.O. Box 308  
 Huntsville, AL 35804

**Account Party:**

Chase Creek, LLC  
 626 Clinton Avenue  
 Suite 103  
 Huntsville, AL 35801

**Credit Union:**

Redstone Federal Credit Union  
 Business Lending Department  
 220 Wynn Drive  
 Huntsville, Alabama 35893

**Subject:** Article 5 Sidewalk, Letter of Credit for Chase Creek West Phase II, a Resubdivision of Lot 2 Chase Creek West

**Amount:** \$10,025.00  
**Issue Date:** October 3, 2006  
**Expiration Date:** October 3, 2007

*MS*  
*10/4/06*

*SW gpt*

**Gentlemen:**

We hereby renew and extend the expiration date of our existing Irrevocable Standby Letter of Credit, and now assign it # 719874-LC3(R) in your favor, effective October 3, 2006, for a sum not to exceed the aggregate of \$10,025.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Redstone Federal Credit Union, Business Lending Department.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

**The original of this Letter of Credit must be presented with any drawing.**

We hereby engage with you that drafts drawn and in compliance with the terms of the Credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

Sincerely,

*Rob E. Wright*  
 Rob E. Wright  
 Assistant Vice President  
 Business Lending Department

*OK*  
*CEK*  
*10/4/06*

*OK JMB*  
*10/4/06*  
*v.r.d.*



SW ext

**REDSTONE FEDERAL CREDIT UNION  
BUSINESS LENDING DEPARTMENT  
220 WYNN DRIVE  
HUNTSVILLE, ALABAMA 35893**

**IRREVOCABLE STANDBY LETTER OF CREDIT**

**Beneficiary:**

City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

**Account Party:**

Chase Creek, LLC  
626 Clinton Avenue  
Suite 103  
Huntsville, AL 35801

**Credit Union:**

Redstone Federal Credit Union  
220 Wynn Drive  
Huntsville, AL 35893

**Subject: Article 5 Sidewalk, Letter of Credit for Chase Creek West Phase II, a Resubdivision of Lot 2 Chase Creek West**

**Amount: \$10,025.00  
Issue Date: October 3, 2005  
Expiration Date: October 3, 2006**

**Gentlemen:**

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective October 3, 2005, for a sum not to exceed the aggregate of \$10,025.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Redstone Federal Credit Union, Business Lending.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

**The original of this Letter of Credit must be presented with any drawing.**

We hereby engage with you that drafts drawn and in compliance with the terms of the Credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

Sincerely,

*Jack E. Wright*  
Jack E. Wright  
Assistant Vice President  
Business Lending Department

*MRS  
10/7/05*

*MW*

*OK  
CEA  
10/13/05*

*OK  
CEA  
Clerk-Treas.  
10/17/05*



P.O. Box 267  
Huntsville, Alabama 35804

SW  
OK

AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT  
Number 99.OD.01105  
OB# 0015206011/67934

Date: 09/29/04

To: City of Huntsville  
P.O.Box 308  
Huntsville, AL 35801

Applicant: Chase Creek LLC  
626 Clinton Avenue  
Huntsville, AL 35801

At the request of Chase Creek LLC we hereby amend our Irrevocable Standby Letter of Credit .  
Number 99.OD.01105, dated September 29, 1999 opened in your favor as follows:

The expiration date is now to read Monday, September 26, 2005.

All other terms and conditions remain unchanged.

This amendment becomes an integral part of the original letter of credit and is to be attached thereto.

*OK SW 9/29/04*  
*OK DM 10/11/04*

*OK Seagl*  
*CA 10/11/04*

*OK*  
*CRK*  
*C/CRK - Treas.*  
*10/11/04*

SouthTrust Bank

BY: *Jan L. Michale*  
Authorized Signature

# SouthTrust Bank

112 North 20th Street  
Birmingham, Alabama 35203

Telephone: (205) 254-5429  
Fax: (205) 254-5454  
Telex: 59837 SOUTHTRUST BHM  
SWIFT: SOTR US44

International Department **AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT**  
Number 99.OD.01105

Date: October 6, 2003.

Beneficiary  
City of Huntsville  
P.O.Box 308  
Huntsville, AL 35801

Applicant  
Chase Creek L.L.C.  
626 Clinton Avenue  
Huntsville, AL 35801

*Chase Creek West  
Phase II; R/S  
of Lot II Chase  
Creek West*

At the request of Chase Creek LLC we hereby amend our Irrevocable Standby Letter of Credit Number 99.OD.01105, dated September 29, 1999 opened in your favor as follows:

The expiration date is now to read Sunday, September 26, 2004.

All other terms and conditions remain unchanged.

This amendment becomes an integral part of the original letter of credit and is to be attached thereto.

SouthTrust Bank

Tanya Pasenjaunt  
Authorized Signature

*D.K. SLW 10/17/03*

*OK JMB 10/23/03*

*OK Sigl  
CCA 10/23/03*

*OK  
Clerk-Treasurer  
CC/K  
10/23/03*

# SouthTrust Bank

P.O. Box 2554  
Birmingham, Alabama 35290 U.S.A.

Telephone: (205) 254-5218

Fax: (205) 254-4285/5656

Telex: 59837 SOUTHTRUST BHM

SWIFT: SOTR US44

AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT  
Number 99.OD.01105

International Department

Date: 10/01/02

To: City of Huntsville  
P.O. Box 308  
Huntsville, AL 35801

Applicant: Chase Creek L.L.C.  
626 Clinton Avenue  
Huntsville, AL 35801

At the request of Chase Creek LLC we hereby amend our Irrevocable Standby Letter of Credit Number 99.OD.01105, dated September 29, 1999 opened in your favor as follows:

The expiration date is now to read September 27, 2003.

All other terms and conditions remain unchanged.

This amendment becomes an integral part of the original letter of credit and is to be attached thereto.

SouthTrust Bank

Tanya Paseniant  
Authorized Signature

*OK, SLW 11/4/02*

*OK, JMB 11/6/02*

*OK, Segl  
KCA 11/6/02*

*OK*

*CS/K  
Chick-Treas.  
11/6/02*

*Chase Creek West  
Phase II: P/S of  
Lot II Chase Creek  
West*

*Sidewalk  
ext.*

**SouthTrust Bank** 

P.O. Box 2554  
Birmingham, Alabama 35290 U S A.

Telephone: (205) 254-5218

Fax: (205) 254-4285/5656

Telex: 59837 SOUTHTRUST BHM AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT  
SWIFT: SOTR US44 Number 99.OD.01105

International Department

Date: 09/26/01

To: City of Huntsville  
P.O.Box 308  
Huntsville, AL 35801

Applicant: Chase Creek, L.L.C.  
626 Clinton Avenue  
Huntsville, AL 35801

At the request of Chase Creek LLC we hereby amend our Irrevocable Standby Letter of Credit Number 99.OD.01105, dated September 29, 1999 opened in your favor as follows:

The expiration date is now to read September 29, 2002.

All other terms and conditions remain unchanged.

This amendment becomes an integral part of the original letter of credit and is to be attached thereto.

SouthTrust Bank

*Linda M. Sullivan*

Authorized Signature

HMS/tp

*O, K, SLW 9/27/01*

*OK JMB 9/27/01*

*OK*

*CEA*

*Clerk-Treasurer*

*9/27/01*

*Sidewalk  
est.*

SouthTrust Bank, N.A.  
P.O. Box 2554  
Birmingham, Alabama 35290 U.S.A.



Telephone: (205) 254-5218  
Fax: (205) 254-4285/5656  
Telex: 59837 SOUTHTRUST BHM  
SWIFT: SOTR US44

International Department

AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT  
Number 99.OD.01105

Date: 11/10/00

To: City of Huntsville  
P.O. Box 308  
Huntsville, AL 35801

Applicant: Chase Creek, L.L.C.  
626 Clinton Avenue  
Huntsville, AL 35801

At the request of Chase Creek, L.L.C. we hereby amend our Irrevocable Standby Letter of Credit Number 99.OD.01105, dated September 29, 1999 opened in your favor as follows:

The expiration date is now to read September 29, 2001.

All other terms and conditions remain unchanged.

This amendment becomes an integral part of the original letter of credit and is to be attached thereto.

Should this amendment not be agreeable, please notify the applicant immediately with notice to us.

SouthTrust Bank

*Hilda M. Sullivan*  
\_\_\_\_\_  
Authorized Signature

*Amended  
MRC 12-18-00  
CIC EMB  
11/4/01*

*Legal  
KCA 1/5/01*

HS/tp

*OK  
CIC/EMB  
1/5/01*



**SouthTrust Bank**

P.O. Box 2554  
Birmingham, Alabama 35290  
(205) 254-5607  
Fax (205) 254-4285

*Chase Creek  
West II: R45*



**Gina M. Thomas**  
Standby Letter of Credit Team Leader  
International Department

International Department

**IRREVOCABLE LETTER OF CREDIT**

City of Huntsville  
P.O. Box 308  
Huntsville, AL 35801

We establish our Irrevocable Letter of Credit Number 99,OD.01105 dated September 29, 1999 in your favor for the account of Chase Creek, L.L.C., 626 Clinton Avenue, Huntsville, AL 36801 up to the aggregate amount of USD10,025.00 available by your draft(s) at sight drawn on us to be accompanied by the following documents:

Beneficiary's signed statement reading: "We hereby certify that Chase Creek, L.L.C. is in default for construction of sidewalk at Lots 2, 3 and 4 Chase Creek West Phase II, a Resubdivision of Lot II Chase Creek West and briefly describe the nature of the default."

Expiration date of this Letter of Credit is September 29, 2000 at our counters at 112 North 20th Street, Birmingham, AL 35203, Attention: International Department.

Drafts must be endorsed hereon and must be marked as being drawn under our above mentioned Letter of Credit and bear its number and date.

We hereby engage with bona fide holders that drafts drawn strictly in compliance with the terms of this credit and amendments shall meet with due honor upon presentation to us.

This undertaking is issued subject to the International Standby Practices 1998 (ISP 98).

*Amend  
MEC 10/4/99*

*OK Legal  
10/4/99 KCA*

GMT/tp

*OK  
Credit - 7 new.  
10/5/99*

*RJM  
10/04*

SouthTrust Bank, N.A.

*Gina M. Thomas*  
Authorized Signature