

Div. Num	Type of Memo		
Loan Request	Renewal	Loan Type	CRI-commercial land
Loan #	72434956	Note #	10
Parent CIS #		Parent Name	Moody's ID
Prepared By	Mark Britton	Date Prepared	9/19/11

Borrower Information			
Borrower Name	Gateway Centre LLC	Customer Number	
Signer Name and Title	Bill Helms and Randy Roark, as members	Type of Entity	limited liability company
Street Address	121 Court Street, Suite 200	Telephone #	334-481-0515
City, State, Zip Code	Montgomery, AL 36104-2636	State of Incorporation	Alabama
Line of Business	Commercial real estate developer	Taxpayer ID #	26-1969961
Related Entities	Douglasville Stone All North Hixson	Probability of Default	Risk Calc
Co-Borrower 1		Customer Number	
Signer Name and Title		Type of Entity	
Street Address		Telephone #	
City, State, Zip Code		State of Incorporation	
Line of Business		Taxpayer ID #	
Related Entities		Probability of Default	Risk Calc

COMMITMENTS & OUTSTANDINGS							
Facility	Purpose	Original Amount	Committed Amount	Current Balance	Rate	Collateral	Loss Given Default
Under Consideration:							
Gateway Centre 72434956-10	renew loan originally for land development <i>10/25/11</i>	\$2,680,000	\$1,180,047	\$1,180,047	6.000%	Commercial lots	
All Other Commitments							
Douglasville Stone All 69356637-1	develop mini-warehouse in Douglasville, GA	\$1,450,279	\$765,000	\$765,000	3.750%	FRLM on mini-warehouse	
North Hixson, LLC 69360047-12	CRI land purchase	\$290,957	\$256,609	\$256,609	5.250%	FRLM on commercial lot	
Deerfoot Marketplace 69364556-10	CRI development	\$5,389,000	\$1,347,500	\$1,347,500	7.250%	unsecured	
Tellus Eleven 69362432-10	develop mini-warehouse in McCalla, AL	\$2,800,000	\$2,721,585	\$2,721,585	5.000%	FRLM on mini-warehouse	
TOTALS		\$12,441,236	\$6,273,741	\$6,273,741			

INTERIM ACTION SUMMARY

Request for a four month extension to assess potential sale of land to Tractor Supply. Borrower will need to pay part of sales proceeds toward road and site work improvements, but bank should receive upwards of \$500,000 in a release payment. Updated financial information has been requested. Loan to be renewed at ~~6.00%~~ *6.00%* fixed with interest ~~paid monthly~~ *due 5 payable* on the 5th day of ~~September~~ *October* with maturity on ~~10/25/11~~ *10/25/11*.

Loan Approval					
Loan Officer's Signature	<i>McBride</i>	Officer #	83003	Date	09/19/11
Loan Officer's Typed Name	Mark Britton				
Approving Officer Signature	<i>[Signature]</i>	Officer #	82878	Date	9/21/11
Approving Officer Signature	<i>[Signature]</i>	Officer #	82001	Date	9/23/11
Approving Officer Signature	<i>[Signature]</i>	Officer #	8479	Date	9/21/11
Committee Name		Date Approved			
BY:		BY:		BY:	
Regional Credit Officer Signature	<i>[Signature]</i>	Officer #		Date	9/30/11
Regional CEO Signature		Date Approved			
Is Synovus Senior Credit Committee Required?		Date Approved			
Is loan closed using Incremental Authority?		Date Approved			
Approval Authority Conditions For This Action (if applicable)					

(ATTACH MOST RECENT FULL WRITE-UP; ALSO NOTE BORROWER DEFAULT GRADE OF ANY "OTHER COMMITMENTS" RELATED ENTITY.)

SYNOVUS

C&I LOAN APPROVAL - CREDIT MEMORANDUM

I. Loan Request Summary as of 9/19/11

- Gateway Centre, LLC
- Renewal of \$1,180,047 loan originally funded to develop a shopping center in Saraland, AL. The loan originated on 2/22/08 with the intent of the borrower to develop a strip center with 3 out parcels. Due to the declining economy the borrower sold 2 out parcels to Hancock Bank and Regions Bank and have decided not to develop the retail center. As a result the borrower has redesigned the site for four additional commercial lots. Borrower is presently in discussions with Tractor Supply about purchasing one of the parcels for approximately \$650,000.
- Request is for a temporary renewal from 7/5/11 to 11/5/11. During this time the MAD officer will assess a potential sale of part of the property to Tractor Supply. At this point the borrower indicates that the net sales proceeds, after monies needed to complete an access road, should be approximately \$500,000 which will be used to repay principal.
- The property was appraised again as of 8/11/11 by Gaylord C Lyon & Co., Inc. in the amount of \$1,552,000, thereby establishing a LTV of 76%. The property consists of 11.5 acres located on Industrial Parkway (AL Highway 158) approximately 1/4 mile east of I-65 in Saraland, AL. The site has been cleared, graded, and compacted with all utilities having been run to future lot sites.
- Updated financial information has been requested from the guarantors along with information on their various developments and contingent liabilities to assess global cash flow and debt service coverage characteristics. However, the guarantors, Bill Helms and Randy Roark, derive their incomes from commercial real estate development which has been virtually non-existent since the subject venture commenced. It is unlikely that the receipt of current financial information will indicate significant improvement in the guarantors' economic circumstances, but they continue to pay the interest monthly on a current basis.
- Therefore, this loan continues to be rated 7A.

II. Background

- The history of the property is presented above. Bill Helms and Randy Roark, long time CRE developers, owned 100% of the LLC. Helms and Roark were well known locally during the 1980s and 1990s for being one of Winn-Dixie's preferred developers during its heydays during that time period. However, as Winn-Dixie began its decline approximately 10 years ago and ultimately filed for Chapter 11 bankruptcy, many of the Helms Roark developments lost their anchor tenant and the smaller retail tenants moved away. As a result, Helms Roark was saddled with large debt service obligations and declining rental income with which to repay it. During this time period neither Helms nor Roark has filed for personal bankruptcy.
- Helms and Roark are also guarantors on several other problem loans at First Commercial Bank Birmingham. These loans are indicated on the interim approval request attached.

III. Financial Analysis of Borrower

- Updated financial information has been requested, however, the property securing the loan is not income producing. Therefore, recent financial information on the borrower is relatively meaningless.

IV. Financial Analysis of Guarantor in (000's)

Guarantor	Date	Liquidity	Assets	Liabilities	NW	Contingent Debt
Bill Helms	11/30/10	\$57	\$5,643	\$3,940	\$1,703	\$1,367
Randy Roark	11/30/10	\$2	\$5,707	\$3,835	\$1,871	\$1,352

- The guarantors' statements reflect personal debt relative to their % interest ownership in each property. However, they are typically joint and several and the contingent debt amount would represent the additional indebtedness they are actually obligated on.

V. Strengths of Loan Request

- Though offering little financial strength the guarantors have managed to keep interest current in very tough economic times.
- Two out parcels have sold to Hancock Bank and Regions Bank which would seem to indicate a viable location for the property.

SYNOVUS

C&I LOAN APPROVAL - CREDIT MEMORANDUM

- A potential sale of another lot is pending to Tractor Supply which will almost reduce the loan by half of its outstanding balance.

VI. Weakness of Loan Request

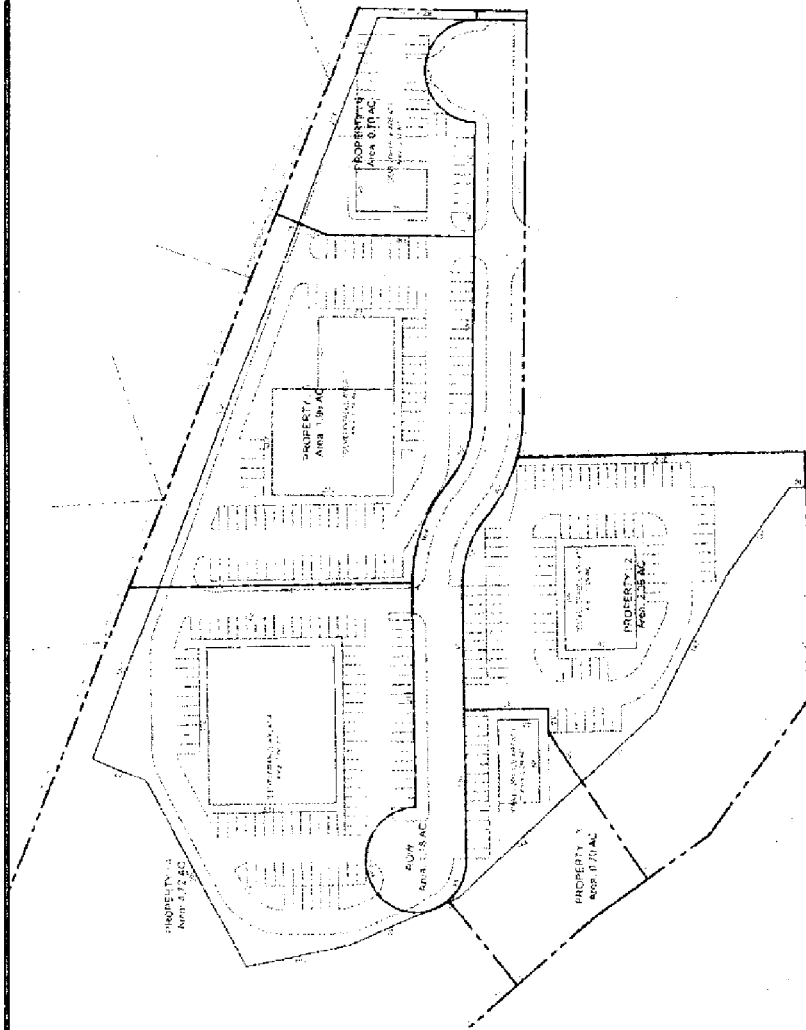
- Guarantors are commercial real estate developers whose sole income presently relies on sale and leasing commissions.
- Collateral securing the loan is vacant commercial land which will require the completion of an access road to further stimulate sales. If the Tractor Supply sale can be finalized, the access road will be completed from some of the sales proceeds and still pay approximately \$500,000 toward a principal reduction.

VII. Conclusion & Recommendation

- MAD officer recommends the temporary renewal until 11/5/11 with interest paid monthly.
- Action Plan
 1. Borrower has previously paid interest monthly with subsequent renewals in anticipation that the remaining commercial lots would sell and repay the loan.
 2. It appears that a lot sale will occur soon and a substantial reduction occur.
 3. MAD officer recommends same course of action with interest paid monthly and monitoring of the potential lot sale.

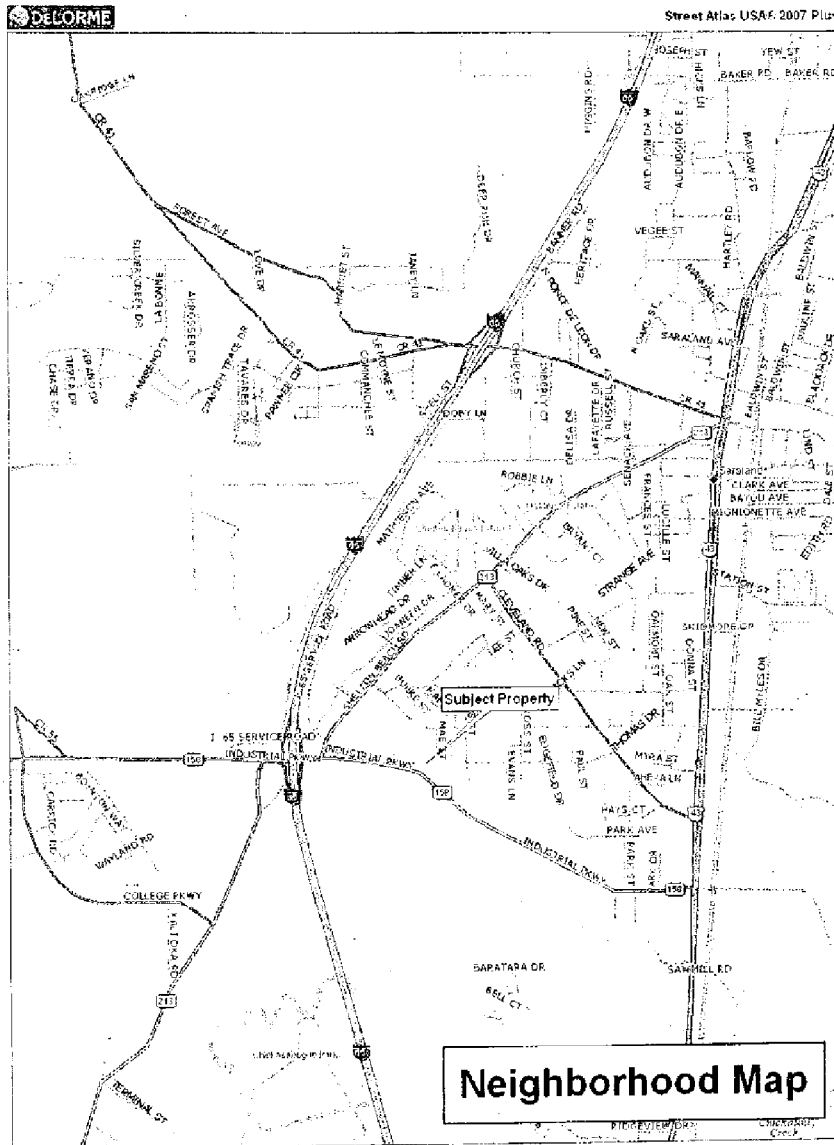
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