

STATE OF ALABAMA

SHELBY COUNTY

SUBORDINATION AGREEMENT

The parties to this Subordination Agreement are John M. Dawkins and Vicki H. Dawkins ("Dawkins") and SouthTrust Bank, National Association, of Montgomery, Alabama ("Bank").

RECITALS: Bank has agreed to make a mortgage loan in the principal amount of \$1,000,000.00 to Philip A. Sellers to be secured by a first mortgage on the property described in attached Exhibit A in Shelby County, Alabama ("the Subject Property"). The proceeds of this loan are to be used by Philip A. Sellers for the purpose of purchasing the Subject Property.

On November 12, 1985, the Dawkins and Philip A. Sellers entered into a written Purchase Agreement providing for purchase of the Subject Property by Philip A. Sellers from the Dawkins for a price of \$1,000,000.00. Under the terms of said Purchase Agreement, Philip A. Sellers granted the Dawkins an option to repurchase the Subject Property upon certain terms and conditions. Said Purchase Agreement also provided for the execution of a "Financial Consulting Agreement" between Philip A. Sellers and the Dawkins. Further, the Purchase Agreement required Philip A. Sellers to lease the Subject Property back to Dawkins, for the term of the repurchase options granted to Dawkins. The Bank is not willing to make the proposed mortgage loan to Philip A. Sellers unless the Dawkins are willing to subordinate all of their rights under said Purchase Agreement and lease to the rights which the Bank would acquire as mortgagee. The Dawkins recognize that the proposed mortgage loan by the Bank is necessary to enable Philip A. Sellers to purchase the Subject Property and the Dawkins are willing to give the requested subordination in favor of the Bank.

AGREEMENT: Now, therefore, in consideration of the premises and the sum of One Dollar, and other valuable considerations, the receipt of which is hereby acknowledged, and in order to induce the Bank to make the proposed mortgage loan to Philip A.

John L. Shatt, Jr.
57-Adams Ave.

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Sellers, the undersigned, John M. Dawkins and Vicki H. Dawkins, hereby covenant, consent and agree with Bank that their interests and rights under the above mentioned Purchase Agreement dated November 6, 1985 (including, but not limited to, their option rights) and under the proposed lease from Philip A. Sellers, shall be, and are hereby, subordinated to the rights and the lien to be granted to the Bank under the proposed mortgage from Philip A. Sellers in the principal amount of One Million Dollars. The Dawkins further agree that if any subsequent controversies should arise between the Dawkins and Philip A. Sellers, this will in no way be deemed to affect or impair the first mortgage lien to be acquired by the Bank under the proposed purchase money mortgage from Philip A. Sellers to the Bank.

It is understood that this subordination by the Dawkins shall not extend to any future loan advances made by the Bank to Philip A. Sellers on the security of the mortgage but shall be confined to the principal balance on the original \$1,000,000.00 loan, plus accrued interest thereon and any expenses incurred by the Bank pursuant to the terms of said mortgage in the protection or enforcement of its rights as mortgagee or in collection of the secured debt.

The Bank agrees that in the event of default by Philip A. Sellers, Bank will notify the Dawkins before initiating foreclosure proceedings or accelerating the secured note and will allow the Dawkins fifteen (15) days after notice within which to cure any such default before accelerating the note or initiating foreclosure of the mortgage. Notice of default addressed to the Dawkins at 4665 Highway 80 East, Birmingham, Alabama 35216 and sent certified mail shall be deemed sufficient. In the event that the Dawkins elect to cure any such default by direct payments to the Bank, such payments shall be credited by the Bank in accordance with the terms of the mortgage and note but the Dawkins shall not be entitled to any subrogation of the Bank's rights or interest as mortgagee.

IN WITNESS WHEREOF, the undersigned parties have executed this agreement this 7 day of November, 1985.

John M. Dawkins
John M. Dawkins

Vicki H. Dawkins
Vicki H. Dawkins

SOUTHTRUST BANK,
National Association

By: [Signature]
Its Vice-President

STATE OF ALABAMA

Jefferson COUNTY

I, the undersigned authority, a Notary Public in and for said State at Large, hereby certify that John M. Dawkins and Vicki H. Dawkins, whose names are signed to the foregoing agreement and who are known to me, acknowledged before me on this day that, being informed of the contents of said agreement, they executed the same voluntarily on the day the same bears date.

GIVEN under my hand and official seal, this the 7 day of November, 1985.

STATE OF ALA. SHELBY CO.
I CERTIFY THIS Notary Public
INSTRUMENT WAS SIGNED

(SEAL)

1985 NOV -7 PM 4:42 My Commission Expires: 6-30-86

[Signature] Rec. 750
JUDGE OF DEEDS 858

STATE OF ALABAMA

MONTGOMERY COUNTY

I, the undersigned authority, a Notary Public in and for said State at Large, hereby certify that Clarence Pouncey whose name as Vice President, of SouthTrust Bank, National Association, is signed to the foregoing agreement and who is known to me, acknowledged before me on this day that, being informed of the contents of said agreement, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said Bank.

GIVEN under my hand and official seal, this 7th day of November, 1985.

Donna M. Stays
Notary Public

(SEAL)

My Commission Expires: 9-19-88