

SUBORDINATION AGREEMENT

WHEREAS, the undersigned, **EFV PROPERTIES, LTD.**, is the payee and owner of a certain Note and Mortgage in the original principal sum of \$612,000.00, evidenced by a Note dated April 28, 1994, and secured by a second mortgage recorded on April 29, 1994, as Instrument # 1994-13987, in the Office of the Judge of Probate of Shelby County, Alabama; and

WHEREAS, **JEFFERSON-PILOT LIFE INSURANCE COMPANY** is closing a certain first mortgage secured by the same property securing the Mortgage held by the undersigned and referred to above, said Jefferson-Pilot Mortgage to be in the principal sum of \$3,420,000.00; and

WHEREAS, said second mortgage contains the following provisions:

" **1.12 COVENANT WITH RESPECT TO PRIOR MORTGAGE:** This is a Second Mortgage, subject and subordinate to the Mortgage described above (the "Prior Mortgage"), but not subject to any modification, extension, replacement or renewal thereof, except as provided for therein. The Mortgagor shall perform, observe and comply with all provisions of the Prior Mortgage and the Note which such Mortgage secures. If any default occurs in the performance, observance or compliance with any provision of the Prior Mortgage, or the Note secured, thereby, such default shall constitute an event of default hereunder, and in such event, the entire sum secured hereby shall, at the option of Mortgagee, at once become due and payable if not cured after ten (10) days written notice. The Mortgagor shall, immediately upon receiving any knowledge or notice of any default under the Prior Mortgage, give written notice thereof to the Mortgagee herein and shall give to the Mortgagee herein immediately upon receipt thereof, a true copy of each and every notice, summons, legal process, or other communication relating in any way to any Prior Mortgage or the performance or enforcement thereof, or to any default thereunder. It is specifically agreed that in the event default should be made in the payment of principal, interest or any other sums payable under the terms and provisions of said Prior Mortgage, the Mortgagee herein, or its assigns, shall have the right, without notice to anyone, to cure such default by paying whatever amounts may be due under the terms of said Prior Mortgage so as to put the same in good standing, and any and all payment shall be added to the indebtedness secured by this Mortgage, and the same, with interest thereon, shall be immediately due and payable, and this Mortgage subject to foreclosure in all respects as provided by law and by the provisions hereof, after notice to Mortgagor as required.

1.13 JEFFERSON-PILOT MORTGAGE. Anything else in this Mortgage or any security given in connection herewith, to the contrary notwithstanding, Mortgagee accepts this Mortgage subject to the rights of Mortgagor to close a Mortgage in favor of Jefferson-Pilot Life Insurance Company as set forth in a certain Commitment dated April 13, 1994, as amended by letter modification dated April 22, 1994, accepted by Jefferson-Pilot by letter dated April 26, 1994, in the maximum principal sum of \$3,420,000 a copy of which Commitment which has been furnished to Mortgagee by Mortgagor, and Mortgagor agrees to promptly execute such subordination agreements as Mortgagor, Jefferson-Pilot, or any title insurer insuring the Jefferson-Pilot loan may reasonably require. Said Mortgage shall, upon recording, be deemed to be a "Prior Mortgage" as defined herein. "

Inst # 1994-29573

(9/26/94)

C:\WPFILES\9873.051\EFV.SUB

09/28/1994-29573
02:55 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 MCD 12.00

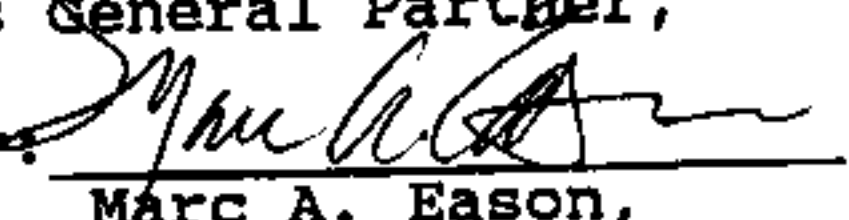
Inst # 1994-29573

NOW, THEREFORE, in consideration of the covenants contained and recited above, the undersigned does hereby RATIFY and CONFIRM and READOPT the provisions of said second mortgage contained in paragraphs 1.12 and 1.13, as set forth hereinabove, and does further acknowledge and represent to Jefferson-Pilot Life Insurance Company that said second mortgage is subject and subordinate to the first mortgage in favor of Jefferson-Pilot in the principal sum of \$3,420,000.00, and further represents that the current outstanding principal balance under the terms of the second mortgage is \$300,000.00.

EXECUTED, this 28th day of September, 1994.

EFV PROPERTIES, LTD., an Alabama limited partnership

By: EFV Properties, Inc., an Alabama corporation,
Its General Partner,

By: 
Marc A. Eason,
President.

STATE OF ALABAMA)

JEFFERSON COUNTY)

I, the undersigned authority, a Notary Public in and for said County in said State, (State of Alabama at Large,) hereby certify that MARC A. EASON, whose name as President of EFV PROPERTIES, INC., an Alabama corporation, in its capacity as sole general partner of EFV PROPERTIES, LTD., an Alabama limited partnership, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, in his capacity as such officer and with full authority, executed the same voluntarily for and as the act of said corporation, acting in its capacity as general partner as aforesaid.

GIVEN under my hand, this 28th day of September, 1994.

(NOTARIAL SEAL)


Notary Public

MY COMMISSION EXPIRES:

8/21/95

Inst # 1994-29573

09/28/1994-29573
02:55 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
002 MCB 12.00