

THIS INSTRUMENT PREPARED BY:

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STATE OF Alabama)

COUNTY OF Shelby)

MORTGAGE SUBORDINATION AGREEMENT

Inst # 1996-12082

THIS MORTGAGE SUBORDINATION AGREEMENT ("Agreement"), made this 29th day of March, 1996, by Michael Metrock, (hereinafter called "Mortgagee"), with the joinder of Metrock Steel & Wire Company, Inc., an Alabama corporation (hereinafter called "Owner") and Metrock Properties, an Alabama general partnership (hereinafter called "Partnership").

P R E A M B L E

A. Compass Bank, successor by name change to Central Bank of the South (hereinafter called "Compass") is the holder of a certain Future Advance Mortgage, Assignment of Rents and Leases and Security Agreement, dated as of September 15, 1993 given to it by Owner, as mortgagor and a certain Accommodation Mortgage, dated as of September 15, 1993 given to it by Partnership (collectively, the "Compass Mortgages"), each to secure the indebtedness of Owner to Compass in the original principal amount of \$4,500,000.00 together with negative amortization, interest and other sums referred to therein.

B. The Compass Mortgage given by Owner encumbers certain premises situated in Shelby County, Alabama owned by Partnership and leased by Owner and more fully described as Parcel I in Exhibit A annexed hereto and made a part hereof as well as certain premises situated in Shelby County, Alabama owned by Owner and described as Parcel II in said Exhibit A (collectively, the "Premises"), which Mortgage is recorded in the Office of the Judge of Probate of Shelby County, Alabama as Instrument No. 1993-29132. The Compass Mortgage given by Partnership encumbers the premises described as Parcel I on said Exhibit A, which Mortgage is recorded in the Office of the Judge of Probate of Shelby County, Alabama as Instrument No. 1993-29131.

C. Mortgagee is the holder of a certain mortgage (the "Junior Mortgage"), dated September 15, 1993, and given to Mortgagee by Owner, as mortgagor, to secure the indebtedness described therein, which Junior Mortgage encumbers the Premises, and was recorded as Instrument No. 1993-29621 in the Office of the Judge of Probate of Shelby County, Alabama.

04/15/1996-12082
08:26 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
008 MCD 26.00

D. Owner has requested that Compass extend to Owner an additional loan or loans and to increase the indebtedness secured by the Compass Mortgages by up to an additional principal amount of \$500,000.00 and Compass has agreed to extend such additional loan or loans.

E. Owner may in the future request that Compass extend additional loans and Compass may agree to extend such additional loans (all loans and other amounts heretofore or hereafter extended to Owner being collectively referred to as the "Compass Loans").

F. Mortgagee benefits from the transactions contemplated in connection with the securing of the Compass Loans by the Compass Mortgages.

E. The subordinate priority of the Junior Mortgage to the Compass Loans and the Compass Mortgages was and is a condition of Compass's agreement to consummate the Compass Loans.

NOW, THEREFORE, intending to be legally bound and for the sum of \$10.00 and other good and valuable consideration, the receipt of which is hereby acknowledged, Mortgagee hereby covenants and agrees as follows:

A G R E E M E N T

1. The Junior Mortgage is and henceforth shall be, subject and subordinate in lien, priority and distribution to the lien of the Compass Mortgages and to all advances heretofore made or which hereafter may be made and secured thereby whether by extension of new Compass Loans or otherwise; to any and all increases in any amount in the Compass Mortgages, whether by the extension of additional Compass Loans, by negative amortization or whether made for the purpose of protecting or enforcing any of Compass's rights under the Compass Mortgages, including, without limitation, the curing of any default in the performance of Owner's covenants under the Compass Mortgages, to pay interest, costs, charges, real estate taxes and insurance premiums; and to any extensions, renewals, modifications and replacements of the Compass Mortgages and substitutions therefor, all of which actions by Compass specifically are authorized by Mortgagee; provided, however, that in no event shall the Junior Mortgage be subordinate to the Compass Mortgages with respect to the portion, if any, of the Compass Loans secured thereby which may at anytime exceed the amount of Five Million and No/100 Dollars (\$5,000,000.00). Any reference in this Subordination Agreement to the Junior Mortgage shall be deemed to include any security interest of Mortgagee in personalty which is created by the Junior Mortgage, or otherwise, which security interest, subject to the limitation with respect to amounts in excess of \$5,000,000.00, is likewise subordinate to any security interest of Compass. Mortgagee agrees that, subject to the limitation with respect to amounts in excess of \$5,000,000.00, any and all right, claim, lien, title and interest of Mortgagee or which Mortgagee may hereafter acquire in the Premises and any improvements, fixtures, chattels, and personal property now or hereafter located

thereon, is and will at all times be subordinate, junior, subject to, and inferior to the liens, security interests and all of the terms, provisions and conditions of the Compass Mortgages and any renewals, extensions, increases, or other modifications thereof and any replacements or substitutions thereof and all agreements and documents relating to any of the foregoing.

2. This Agreement is a continuing agreement and shall remain in full force and effect until such time as the Compass Mortgages are satisfied of record or Compass specifically consents in writing to their termination. No written document, whether placed of public record and/or delivered to Compass, shall amend or modify any of the terms of this Agreement unless the same shall expressly amend this Agreement and be executed by Compass.

3. The provisions of this Subordination Agreement are solely for the benefit of (i) Compass and any title insurance company insuring either or both of the Compass Mortgages (including without limitation Land Title Company of Alabama as agent for Chicago Title Insurance Company, its successors and assigns) and (ii) Mortgagee, and shall not be deemed to modify any of the agreements executed and delivered in connection with the Compass Mortgages, or the Junior Mortgage or to waive any of the rights of Compass or Mortgagee, as the case may be thereunder, as against Owner, nor shall it constitute or give rise to any defense, right of set-off or counterclaim by Owner.

4. This Agreement may be amended or modified only by written instrument signed by Compass and Mortgagee.

5. This Agreement and all of the terms, conditions and provisions hereof shall be binding upon and inure to the benefit of Compass and Mortgagee, and their respective successors and assigns.

6. Owner and Partnership consent and agree hereto, but shall not be deemed to be third party beneficiaries hereof, nor of any of the terms or provisions contained herein.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the day and year first above written.

WITNESS:

MORTGAGEE:

M. Metrock
MICHAEL METROCK

ATTEST:

By: _____
Its _____

WITNESSES:

Linda J. Petrock

Linda J. Petrock

OWNER:

**METROCK STEEL AND WIRE
COMPANY, INC.**

By: John M. Metrock
John M. Metrock
Its: President

PARTNERSHIP:

METROCK PROPERTIES

By: John M. Metrock
John M. Metrock
Its: General Partner

By: Connie Metrock
Connie Metrock
Its: General Partner

STATE OF ALABAMA)

COUNTY OF SHELBY)

I, BRUCE L. GORDON, the undersigned, a Notary Public in and for said County in said State, hereby certify that **MICHAEL METROCK**, whose name 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 executed the same voluntarily on the day the same bears date.

Given under my hand this the 29th day of MARCH, 1996.

Bruce L. Gordon

Notary Public

My Commission Expires: 12/4/98

[NOTARIAL SEAL]

STATE OF ALABAMA)

COUNTY OF SHELBY)

I, the undersigned, Notary Public in and for said County in said State, hereby certify that John M. Metrock, whose name as President of **METROCK STEEL AND WIRE COMPANY, INC.**, a corporation, 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, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this the 29th day of March, 1996.

Linda J. Keasock

Notary Public

My commission expires: 7/23/99

[NOTARIAL SEAL]

STATE OF ALABAMA)

COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that John M. Metrock, whose name as General Partner of **METROCK PROPERTIES**, an Alabama general 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, as such general partner and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand this the 29th day of March, 1996.

Linda J. Keavon
Notary Public
My commission expires: 2/23/99

[NOTARIAL SEAL]

STATE OF ALABAMA)

COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Connie Metrock, whose name as General Partner of **METROCK PROPERTIES**, an Alabama general 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, she, as such general partner and with full authority, executed the same voluntarily for and as the act of said partnership.

Given under my hand this the 29th day of March, 1996.

Linda J. Keavon
Notary Public
My commission expires: 2/23/99

[NOTARIAL SEAL]

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

The following described real property located in Shelby County, Alabama:

PARCEL I:

A parcel of land containing 50.665 acres, more or less, located in the North 1/2 of Section 6, Township 24 North, Range 13 East, Shelby County, Alabama, described as follows: Commence at the Northwest corner of the NE 1/4 of said Section 6; thence N 89°00'00"E 308.72 feet along the North boundary to an iron; thence S 3°52'30"E 429.82 feet to a concrete monument, said point being the point of beginning; thence S 3°52'30"E 1461.10 feet to a concrete monument at the intersection of the North right of way of Alabama Highway No. 25; thence S 84°34'10"W 369.56 feet along said right of way to a concrete right of way monument; thence S 85°58'59" W 881.71 feet along said right of way to a concrete right of way monument; thence S 84°57'24"W 230.16 feet along said right of way to a concrete right of way monument; thence S 85°37'06"W 18.75 feet along said right of way to a concrete monument; thence N 3°52'30"W 1478.18 feet to a concrete monument; thence N 86°07'31"E 1500.00 feet to the point of beginning.

PARCEL II:

A portion of Millins Eastside Addition to Helena, Alabama, as recorded in Map Book 4 Page 25, of the Probate Records of Shelby County, Alabama, being more particularly described as follows: Commence at the Northwest corner of Lot No. 1, Block 1; thence N 82°25'30"E 163.00 feet to an iron pin; thence N 82°14'30"E 174.00 feet to an iron pin, thence N 83°14'06"E 50.84 feet to an iron pin, thence N 79°56'10"E 180.99 feet to an iron pin, thence S 18°07'28"E 987.10 feet to the intersection of the North right of way of Elm Street; thence N 89°47'01"W 189.65 feet along said right of way; thence N 89°47'30"W 52.50 feet along said right of way; thence N 89°47'30"W 244.00 feet to an iron; thence N 2°50'42"W 223.94 feet to an iron; thence S 54°25'48"W 58.79 feet to an iron; thence N 13°22'40"W 505.88 feet to an iron pin; thence S 82°37'30"W 198.00 feet to an iron pin, thence N 3°55'27"W 99.80 feet to an iron pin, thence N 2°34'58"W 98.07 feet to the point of beginning.

Also the following described property: Commence at the Northeast corner of Lot No. 10, Block 2; thence S 6°38'53"E 87.50 feet to a point; thence S 11°20'20"E 608.98 feet to an iron pin, thence S 10°14'45"E 330.80 feet to an iron pin at the intersection of the North right of way of Elm Street; thence S 89°52'15"W 99.97 feet along said right of way; thence N 89°50'28"W along said right of way 31.70 feet; thence N 18°07'28"W 1013.8 feet; thence N 79°52'07"E 262.44 feet to the point of beginning.

The above described parcels containing 15.43 acres, more or less.

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