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QUALITY CONTROL DEPARTMENT  
**FIRST ALABAMA BANK**

BIRMINGHAM

P. O. BOX 10247

BIRMINGHAM, ALABAMA 35202

850

STATE OF ALABAMA )  
JEFFERSON COUNTY )

SUBORDINATION OF MORTGAGE

This Agreement made this 14th day of November, 1988, by and between FIRST ALABAMA BANK, an Alabama banking corporation (the "Bank"), and SHELBY COUNTY LUMBER COMPANY, INC., an Alabama corporation (the "Company").

RECITALS

A. Riverchase Builders, Inc. (the "Owner") owns a parcel of property (the "Property") which is described as follows:

Lot 1521 according to the survey of Riverchase Country Club, 8th Addition, residential subdivision, as recorded in Map Book 10, Page 52, in the Probate Office of Shelby County, Alabama and recorded in Map Book 23, Page 78, in the Bessemer Division of Jefferson County, Alabama.

B. The Property is located partially in Shelby County, Alabama and partially in the Bessemer Division of Jefferson County, Alabama.

C. The Owner is in the process of constructing a single-family residence on the Property and has borrowed construction funds from the Bank. In addition, the Company has extended credit to the Owner part or all of which is related to the improvement of the Property.

D. To secure its obligations to the Bank, the Owner has granted the Bank a mortgage lien on the Property (the "Bank's Mortgage") which was recorded in Shelby County, Alabama on July 30, 1987 in Real Volume 143, Page 128 and in the Birmingham Division of Jefferson County, Alabama on July 22, 1987 in Real Volume 3206, Page 858. The Bank's Mortgage was refiled on July 12, 1988 in the Bessemer Division of Jefferson County, Alabama in Real Volume 707, Page 123. The Owner granted the Company a mortgage lien on the Property (the "Company's Mortgage") which was recorded in the Bessemer Division of Jefferson County, Alabama on June 6, 1988 in Real Volume 702, Page 319. The Company's Mortgage has not been recorded in Shelby County, Alabama.

E. At the present time, the Owner is indebted to the Bank in the amount of \$461,200.00, principal plus accrued interest, which is partially secured by the Bank's Mortgage (the Bank has additional mortgage loans which are cross-collateralized). The Owner is indebted to the Company in the amount of \$103,599.30 which is partially secured by the Company's Mortgage.

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F. The Owner has requested that the Bank advance the amounts necessary to finish the residence being constructed on the Property. The approximate amount needed is \$40,000. The Bank is willing to amend its mortgage and advance the amounts requested by the Owner only if the Company will execute this Agreement further subordinating its mortgage lien to the lien of the Bank's Mortgage and any amendments thereto securing the Bank's additional advances.

G. The Company has consented and agreed to further subordinate its mortgage lien to the Bank's Mortgage.

NOW, THEREFORE, in consideration of the premises and the sum of Ten and No/100 Dollars (\$10.00) paid to the Company on the execution and delivery of this instrument, the receipt of which is hereby acknowledged, the Company does hereby grant its consent to the said additional advances to Owner by the Bank and further agrees that the Company's Mortgage shall be junior and subordinate to the Bank's Mortgage for the entire amounts ultimately advanced by the Bank for the improvement of the Property.

IN WITNESS WHEREOF, Shelby County Lumber Company, Inc. has caused this instrument to be executed on this the 14 day of November, 1988.

SHELBY COUNTY LUMBER COMPANY, INC.

By: William B. Brown III  
Its: Vice Pres

FIRST ALABAMA BANK

By: Charles H. Hatcher  
Its: Vice President

This Instrument Prepared By:  
Richard P. Carmody  
Lange, Simpson, Robinson & Somerville  
1700 First Alabama Bank Building  
Birmingham, Alabama 35203

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STATE OF ALABAMA )  
JEFFERSON COUNTY )  
Shelby )

I, the undersigned Notary Public in and for said County in said State, hereby certify that Andrew B. Brown III, whose name as Vice-President of Shelby County Lumber Company, Inc., an Alabama corporation, is signed to the foregoing Subordination of Mortgage, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Subordination of Mortgage, he/she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 14 day of November, 1988.

*Dorothy Jackson*  
Notary Public  
My Commission Expires: 10-25-89

STATE OF ALABAMA )  
JEFFERSON COUNTY )

I, the undersigned Notary Public in and for said County in said State, hereby certify that Charles Watkins, whose name as Vice President of First Alabama Bank, an Alabama banking corporation, is signed to the foregoing Subordination of Mortgage, and who is known to me, acknowledged before me on this day that, being informed of the contents of said Subordination of Mortgage, he/she executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 14th day of November, 1988.

*Kathryn Lynn Young*  
Notary Public  
My Commission Expires: ~~1987~~ COMMISSION EXPIRES JULY 8, 1989

STATE OF ALA. JEFFERSON CO.  
BESSEMER DIV. I CERTIFY  
THIS INSTRUMENT FILED ON

Nov 23 11 26 AM '88

Recorded & Indexed  
1963 Jan 10

O'Brien

Dept. of Justice

STATE OF ALA. SHERIFF  
I CERTIFY THIS  
INSTRUMENT WAS FILED

88 DEC 13 AM 11:56

Thomas W. Swain, Jr.  
JUDGE OF PROBATE.

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