

**STATE OF ALABAMA
COUNTY OF JEFFERSON**

PRIOR LIENHOLDER'S AGREEMENT

This PRIOR LIENHOLDER'S AGREEMENT is by and between The Money Store Commercial Mortgage, Inc., (hereinafter the "Prior Lienholder") and SOUTHERN DEVELOPMENT COUNCIL, INC. (hereinafter along with its successors and assigns, the "CDC"). . . .

RECITALS

WHEREAS, JMJ, L.L.C. (the "Borrower") is the owner of the real estate described in the attached Exhibit "A" (the "Real Estate"). Prior Lienholder has made loans in the original principal amounts of \$306,600.00 (the "\$306,600.00 Prior Loan"), and \$261,332.00 (the "\$261,332.00 Prior Loan"), (collectively the "Prior Loans"). The Prior Loans are secured by Mortgages, and Assignments of Rents and Leases, dated October 17, 1996, and recorded, respectively, as Instrument # 1996-34844, and as Instrument # 1996-34845, both as modified by Modification Agreement, recorded as Instrument # 1997-19599, (the "Prior First Mortgage and Assignment of Rents and Leases"), and as Instrument # 1996-34841, and as Instrument # 1996-34846, as modified by Modification Agreement, recorded as Instrument # 1997-19922, (the "Prior Second Mortgage and Assignment of Rents and Leases"), in the Office of the Judge of Probate of Shelby County, Alabama.

WHEREAS, CDC has agreed to make a loan in the amount of \$272,000.00 (the "504 Loan") to Borrower. The 504 Loan will be secured by a mortgage (the "504 Mortgage") to be recorded in the Office of the Judge of Probate of Shelby County, Alabama, contemporaneously with this agreement.

AGREEMENT

NOW, THEREFORE, for and in consideration of the foregoing recitals, the mutual agreements set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Balance of the Prior Loans.** Following the funding of the 504 Loan, Prior Lienholder will receive \$261,332.00, from CDC in accordance with instruction given to CDC by Borrower. Such \$261,332.00, will reduce the \$567,932.00, Prior Loan secured by the Prior Second Mortgage and Assignment of Rents and Leases, and the principal balance of the Prior Loans will upon such reduction be no more than \$306,600.00, and will be the only obligation superior to Borrower's obligations to CDC which are secured by the 504 Mortgage.

2. **Subordination of Future Advances.** Except for liens arising from advances under the Prior First Mortgage and Assignment of Rents and Leases or Prior Second Mortgage and Assignment of Rents and Leases, intended to preserve the Real Estate and made pursuant to the Prior

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First Mortgage and Assignment of Rents and Leases or Prior Second Mortgage and Assignment of Rents and Leases, any lien securing any sum advanced to Borrower by Prior Lienholder after the date of this Agreement will be subordinate to the lien created by the 504 Mortgage.

3. Waiver of Enforcement of Covenant Not to Encumber the Real Estate. If the Prior First Mortgage and Assignment of Rents and Leases or the Prior Second Mortgage and Assignment of Rents and Leases or any document evidencing the Prior Loans contains any provision prohibiting Borrower from further encumbering the Real Estate, Prior Lienholder waives its right to enforce any such provision as it might apply to the lien arising from the 504 Mortgage securing or any document evidencing the 504 Loan.

4. Notice of Default Under the Prior Loan. If an event of default occurs under the Prior First Mortgage and Assignment of Rents and Leases, the Prior Second Mortgage and Assignment of Rents and Leases, or any document evidencing the Prior Loans, Prior Lienholder will give CDC and the U.S. Small Business Administration (the SBA) written notice of the event of default within thirty (30) days after the occurrence of the event of default. After an event of default, Prior Lienholder will not sell all or any portion of the Real Estate without giving CDC and the SBA at least sixty (60) days' prior written notice of its intent to sell the Real Estate or any portion thereof. Notice under this Section shall be deemed to have been given when sent by certified or registered mail, return receipt requested, addressed, as the case may be, to CDC, SOUTHERN DEVELOPMENT COUNCIL, INC. at 4101-C Wall Street, Montgomery, Alabama, 36106, and to the SBA at its Birmingham District Office, Suite 200, 2121 Eighth Avenue North, Birmingham, Alabama 35203-2398, Attention: District Counsel.

5. Successors and Assigns. This Agreement shall inure to the benefit of and bind the respective parties to this Agreement and their successors and assigns.

IN WITNESS WHEREOF, We have hereunto set our hands and seals this 8 day of October, 1997.

PRIOR LIENHOLDER:

The Money Store Commercial Mortgage, Inc.

By: *Deli Stys*
Its: Assistant Vice President

CDC:

Southern Development Council, Inc.
By: *William H. Stover*
Its: Assistant Vice President

ACKNOWLEDGED AND CONSENTED TO:

BORROWER:

JMJ, L.L.C.

By: 

John A. Simonetti, Jr., Manager

Columbiana Skating Rink, Inc.

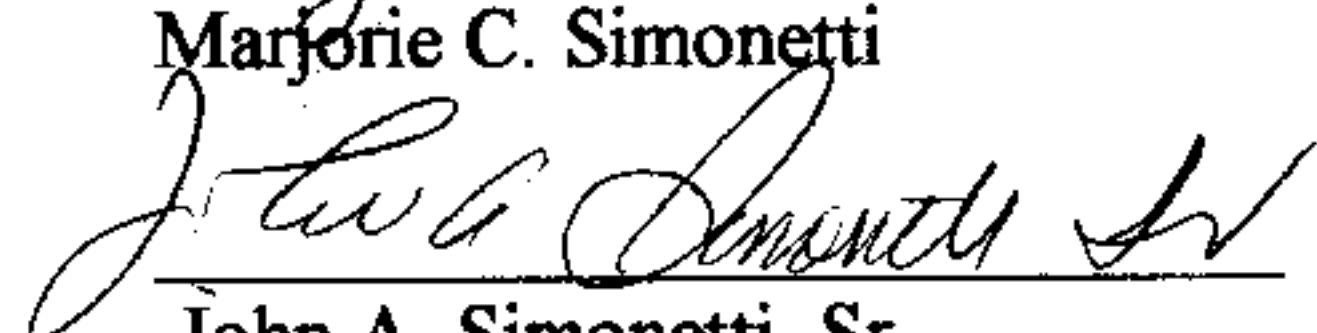
By: 

John A. Simonetti, Jr., President

GUARANTORS:


John A. Simonetti, Jr.


Marjorie C. Simonetti


John A. Simonetti, Sr.

STATE OF ALABAMA
JEFFERSON COUNTY

Acknowledgment of Southern Development Council, Inc

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that M. H. Forrester, whose name as Assistant Vice President of Southern Development Council, Inc., 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 said instrument, he, as such officer, and with full authority, executed the same voluntarily, as an act of said Corporation, acting in his capacity as aforesaid. Given under my hand and official seal this the 8th day of October, 1997.


Notary Public

My Commission Expires: 1-5-99

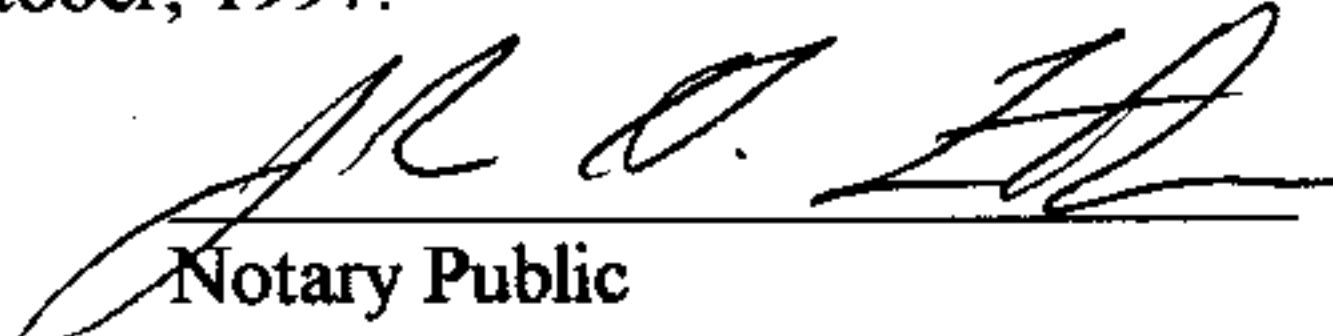
STATE OF ALABAMA
COUNTY OF JEFFERSON

Acknowledgement of JMJ, L.L.C.

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that John A. Simonetti, Jr., whose name as Manager of JMJ, L.L.C., 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 Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand this 8th day of October, 1997.

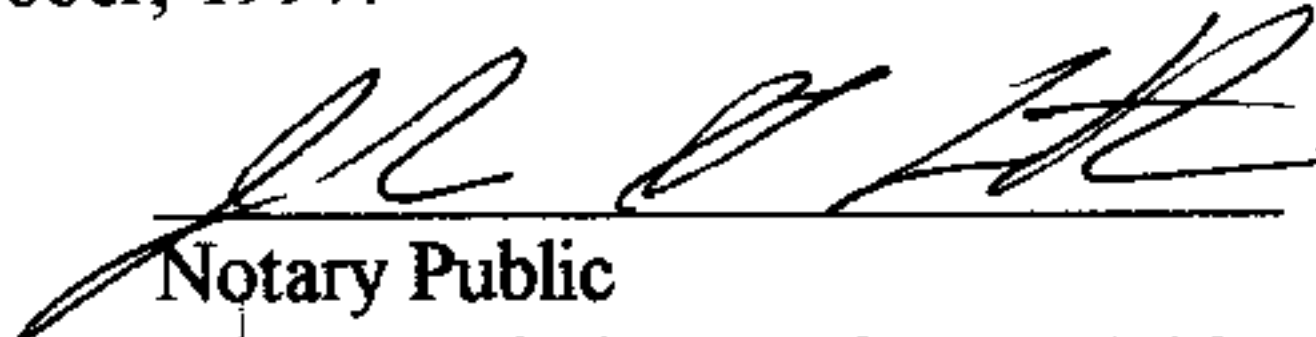

Notary Public
My Commission Expires: 1-5-99

STATE OF ALABAMA
COUNTY OF JEFFERSON

Acknowledgement of Columbiana Skating Rink, Inc.

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that John A. Simonetti, Jr., whose name as President of Columbiana Skating Rink, Inc., 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 8th day of October, 1997.

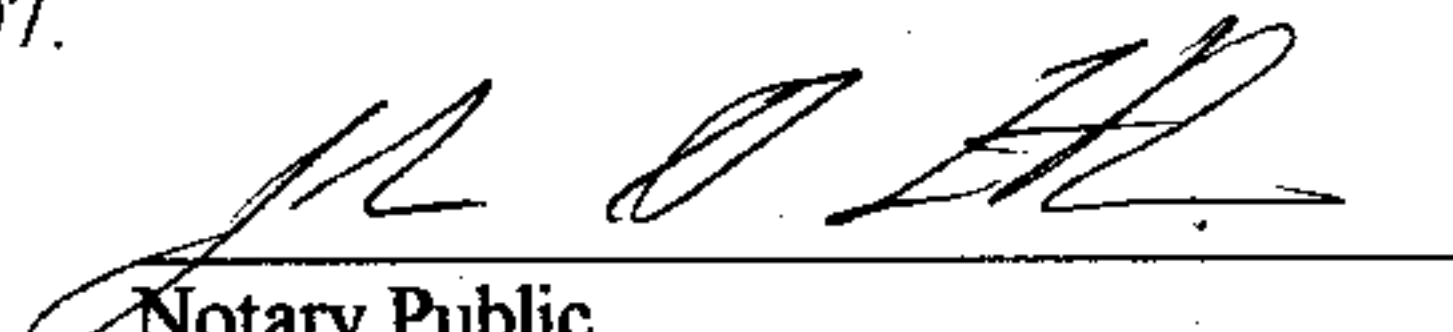

Notary Public
My Commission Expires: 1-5-99

STATE OF ALABAMA
COUNTY OF JEFFERSON

Acknowledgement of Individuals

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that John A. Simonetti, Jr., Marjorie C. Simonetti, and John A. Simonetti, Sr., whose names are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they executed the same voluntarily.

Given under my hand this 8th day of October, 1997.


Notary Public
My Commission Expires: 1-5-99

STATE OF California
COUNTY OF Sacramento

On **October 6, 1997**, before me, Diane Valentine, personally appeared **Debi Stytz** personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS MY HAND AND OFFICIAL SEAL



Diane Valentine, Notary Public



OPTIONAL

Capacity Claimed by Signer	Description of Attached Document
<input checked="" type="checkbox"/> Individual	Title or Type of Document: Prior
<input type="checkbox"/> Corporate Officer	Lienholder's Agreement
Title(s): Assistant Vice President	Number of Pages:
<input type="checkbox"/> Partners <input type="checkbox"/> Limited	Date of Document:
<input type="checkbox"/> General	
<input type="checkbox"/> Attorney-In-Fact	Signer(s) Other Than Named Above:
<input type="checkbox"/> Trustee(s)	
<input type="checkbox"/> Guardian/Conservator	
<input type="checkbox"/> Other : _____	

Signer is Representing:

The Money Store Investment Corporation

EXHIBIT "A"

TO

**MORTGAGE
ASSIGNMENT OF RENTS AND LEASES
LIEN AFFIDAVIT
FINANCING STATEMENT (UCC-1)
PRIOR LIENHOLDER'S AGREEMENT
ENVIRONMENTAL INDEMNITY AGREEMENT
SUBORDINATION OF LEASE AGREEMENT**

MORTGAGOR/

OWNER: JMJ, L.L.C.

BORROWER: JMJ, L.L.C. and Columbiana Skating Rink, Inc.

LENDER: SOUTHERN DEVELOPMENT COUNCIL, INC.

LEGAL DESCRIPTION:

Commence at the Northwest corner of Section 26, Township 21 South, Range 1 West, Columbiana, Shelby County, Alabama, and run thence southerly along the West line of said Section 26 a distance of 1,321.72 feet to a point; thence turn 89 degrees 53' 16" left and run easterly 799.62 feet to a steel pin corner on the southerly margin of Shelby County Highway No. 70 and the point of beginning of the property being described; thence turn 87 degrees 38' 11" right and run southerly a distance of 747.00 feet to a point in the centerline of the Little Beeswax/Town Creek; thence turn 102 degrees 06' 44" left and run easterly along centerline of said Creek 120.00 feet to a point; thence turn 74 degrees 21' 21" left and run northerly 749.00 feet to a steel pin corner on the same said southerly margin of same said Highway No. 70; thence turn 105 degrees 54' 39" left and run westerly along said margin of said Highway 52.00' to the P.C. of a curve; thence turn 04 degrees 54' 59" right to chord and continue westerly along the chord of said curve a chord distance of 112.71 feet to the point of beginning.

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