

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (the "Agreement") is made, executed and delivered by Highland Bank (the "Prior Lender") as of the 24th day of February, 1998 for the purpose herein stated.

WITNESSETH:

WHEREAS, the Prior Lender has previously made a loan (the "Prior Loan") to Edward W. & Katherine B. Dobson (collectively the "Borrowers") secured by a Mortgage and Security Agreement (the "Prior Mortgage") recorded in Instrument No. 1997-12924 in the Probate Court of Shelby County, Alabama; and

WHEREAS, Lender has agreed to make a new loan in the amount of \$ 400,000 (the "New Loan") to the Borrowers on the condition that the Prior Mortgage and all indebtedness secured by the Prior Mortgage be junior and subordinate to various agreements, documents and instruments to be executed by the Borrowers in connection with the New Loan (collectively the "New Loan Documents") including, without limitation, a promissory note in the amount of \$ 400,000, a Mortgage and Security Agreement executed or to be executed by the Borrowers (the "New Mortgage"), and other agreements, documents, and instruments to be executed in connection with the New Loan. The Prior Lender Mortgage and the New Mortgage cover and relate to the real property described in **EXHIBIT A**.

NOW, THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce Lender to make the New Loan, Prior Lender covenants and agrees that the Prior Lender Mortgage and all indebtedness and liens evidenced or secured by the Prior Mortgage is and shall be junior and subordinate in all respects to the New Loan and the New Mortgage and all of the other New Loan Documents.

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

Highland Bank

BY: Keelon Hobbs
ITS: A.V.P.

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, as Notary Public in and for said County, in said State, hereby certify that Keelon Hobbs whose name as the A.V.P. of Highland Bank is signed to the foregoing Subordination Agreements, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Subordination Agreement, 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 24 day of February, 1998.

Shirah M. Gubank
Notary Public

My Commission Expires: MY COMMISSION EXPIRES DECEMBER 14, 1998

03/04/1998-07490
01:15 PM CERTIFIED

SHELBY COUNTY JUDGE OF PROBATE
11.00

Inst # 1998-07490

EXHIBIT "A" LEGAL DESCRIPTION

A parcel of land in the NE 1/4 of the NE 1/4 of Section 23, Township 20 South, Range 1 West Shelby County, Alabama described as follows: From the Northwest corner of the NE 1/4 of NE 1/4 of Section 23, Township 20 South, Range 1 West, being the point of beginning of herein described parcel of land, run thence East along the North boundary of said NE 1/4 of NE 1/4 a distance of 1326.15 feet to the Northeast corner thereof; thence turn 92 deg. 36 min. 52 sec. right and run along the East boundary of said NE 1/4 of NE 1/4 a distance of 1335.18 feet to the Southeast corner thereof; thence turn 87 deg. 33 min. 15 sec. right and run 597.26 feet along the South boundary of said NE 1/4 of NE 1/4 to a point on the Northerly boundary of Crenshaw Swamp Road; thence turn 45 deg. 25 min. 14 sec. right and run 106.93 feet along said road boundary and the following courses: 08 deg. 48 min. 40 sec. left for 187.07 feet; 04 deg. 31 min. 41 sec. left for 103.66 feet; 11 deg. 04 min. 29 sec. left for 153.54 feet; 08 deg. 41 min. 10 sec. right for 114.16 feet; thence turn 05 deg. 57 min. 25 sec. right and run 188.18 feet along said road boundary to a point on the West boundary of a aforementioned NE 1/4 of NE 1/4; thence turn 56 deg. 48 min. 05 sec. right and run 866.81 feet to the point of beginning of herein described parcel of land.

Subject to 60.0 foot private road easement to-wit: From the Northwest corner of the NE 1/4 of NE 1/4 of Section 23, Township 20 South, Range 1 West, run thence East along the North boundary of said NE 1/4 of NE 1/4 a distance of 8.83 feet to the point of beginning of the centerline of said 60.0 feet easement; thence turn 91 deg. 04 min. 31 sec. right and run 144.70 feet along said easement centerline of the following courses: 00 deg. 56 min. 45 sec. right for 91.31 feet; 08 deg. 30 min. 02 sec. right for 88.95 feet; 04 deg. 53 min. 10 sec. right for 101.00 feet; 06 deg. 23 min. 05 sec. left for 80.39 feet 05 deg. 48 min. 17 sec. left for 241.68 feet; thence turn 16 deg. 00 min. 55 sec. right and run 120.21 feet along said easement centerline to a point of termination in the center of Crenshaw Swamp Road.

All being situated in Shelby County, Alabama.

Also conveyed is all that part of the NW 1/4 of NE 1/4 of Section 23, Township 20 South, Range 1 West lying West of the West line of said 1/4-1/4. East of the above described 60 foot private road easement and North of Crenshaw Road.

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SHELBY COUNTY JUDGE OF PROBATE
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