CAHABA Title

ATTORNMENT, SUBORDINATION AND NON-DISTURBANCE AGREEMENT

THIS AGREEMENT is made as of the 10 day of October, 1998, by and among:

MORTGAGEE:

SouthTrust Bank, National Association

P. O. Box 2554

Birmingham, Alabama 35290

LESSEE:

Brookwood Health Services, Inc. c/o Brookwood Medical Center

2010 Brookwood Medical Center Drive

Birmingham, Alabama 35209 Attention: Chief Executive Officer

and

OWNER:

NSC 31, L.L.C.

c/o Johnson Development, Inc. 1900 International Park Drive Birmingham, Alabama 35243

WHEREAS:

- (1) NSC 31, L.L.C. (the "Owner") is the owner of a leasehold interest in the property described in Exhibit A attached hereto and incorporated herein by reference (the "Property") pursuant to a Ground Lease between Owner and Brookwood Center Development Corporation dated as of October 1998 (the "Ground Lease");
- (2) SouthTrust Bank, National Association (the "Bank") has made a loan (the "Loan") to Owner, and such Loan is secured by a Leasehold Mortgage and Security Agreement on all of Owner's interest in the Property (the "Mortgage");
- (3) By Lease Agreement dated as of October (5), 1998 (the "Lease"), the Owner, as Lessor, leased to Brookwood Health Services, Inc. (the "Lessee") that certain medical office building and related facilities to be constructed by Owner on the Property (the "Leased Premises") for a term of ten (10) years [with an option to extend the original term of the Lease for one additional term of ten (10) years followed by one additional term of five (5) years], at the rental and upon the terms and conditions set forth in said Lease;
- (4) Bank desires to assure the Lessee possession of the Leased Premises upon the terms and conditions set forth in the Lease for the entire original term and any optional renewal term therein provided without regard to any default under the terms of the Mortgage between Owner and Bank;
- (5) Lessee desires to assure Bank that the Lessee will attorn to the Bank under the circumstances set forth in this Agreement and under the Lease;

- (6) Bank desires to assure Lessee that its possession of the Leased Premises and rights under the Lease will not be disturbed so long as Lessee is not in default under the Lease or the terms of this Agreement; and
 - (7) Lessee has agreed to subordinate the Lease and its interest therein to the Mortgage.
- NOW, THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00) in hand paid by each of the parties herein to the other, of other good and valuable consideration, and of the mutual promises contained herein, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the Bank, Lessee and Owner covenant and agree as follows:
- 1. <u>SUBORDINATION</u>. Anything to the contrary in the Lease notwithstanding, the Lease, and all rights of Lessee thereunder, are and shall be subject and subordinate in all respects to the Mortgage, to each and every advance made or hereafter to be made under the Mortgage, and to all renewals, modifications, consolidations, replacements and extensions of the Mortgage. Notwithstanding any provisions of the Lease to the contrary, and for so long as the Mortgage and any modification or extensions thereof shall remain unsatisfied, the Mortgage, the Lease and the rights of the Lessee under the Lease shall be superior to any subsequent financing or other encumbrances with a party other than Bank, its successors or assigns, with respect to the Leased Premises, and Lessee and Owner agree that each will not at any time prior to satisfaction of the Mortgage voluntarily subordinate the Lease to any mortgage or encumbrance to a party other than Bank, its successors or assigns, respecting the Leased Premises which is junior in priority to the Mortgage.
- 2. RIGHT OF BANK TO CURE DEFAULTS. If any default shall occur under the Lease on the part of the Owner, which would give Lessee the right (or under which Lessee might claim the right) to cancel or terminate the Lease, Lessee shall promptly give notice thereof to Bank, and Bank shall have thirty (30) days from the date of such notice to cure any such default, or if such default is not reasonably capable of being cured in such period of time, Bank shall have the right within such time to commence remedying such default and shall proceed diligently to complete the same. In the event any such default is so cured, the Lease shall not be deemed to be in default, and Lessee's duties thereunder shall continue unabated. Nothing herein shall be deemed to be a duty on the part of Bank to cure any such default, but only a right on its behalf.

3. LESSEE TO ATTORN TO BANK.

(a) In the event that the Bank shall succeed to the interest of Owner under such Lease, the Lease shall continue with the same force and effect as if the Bank, as Lessor, and the Lessee had entered into a Lease for a term equal to the then unexpired term of the Lease, containing the same terms, conditions and covenants as those contained in the Lease, including, but not limited to, any rights of renewal therein, and the Lessee shall be bound to the Bank under all of the provisions of the Lease for the remaining term thereof with the same force and effect as if the Bank were the Lessor under the Lease, and the Lessee hereby attorns and agrees to attorn to the Bank as its landlord, such attornment to be effective and self-operative without the execution of any further instruments on the part of either of the parties hereto immediately upon the succession of Bank to the interest of Owner under the Lease. The Lessee shall be under no obligation to pay rent to the Bank until the Lessee receives written notice from the Bank that an Event of Default under any of the loan documents relating to the Loan has occurred, or that it has succeeded to the interest of the Owner under the Lease. The Owner and Lessee agree that, upon receiving such notice from Bank, Lessee shall pay all rents directly to Bank without any duty to inquiry as to the validity of such notice and without any liability therefor to Owner. Nothing contained herein shall in any

manner limit or restrict the right of Bank to have a receiver appointed or to seek any other appropriate relief or remedy under any one or more of the loan documents relating to the Loan. The respective rights and obligations of the Lessee and the Bank upon such attornment and their relationship shall be as tenant and landlord respectively, for the remaining term of the Lease, including any renewal periods set forth in said Lease;

- (b) Lessee agrees that it shall not, without the express consent of Bank, prepay any minimum rental under the Lease to Owner in excess of one (1) month's advance minimum rental; and
- (c) In the event that the Bank shall succeed to the interest of the Owner under the Lease, the Bank agrees to be bound to the Lessee under all of the terms, covenants and conditions of the Lease; provided, however, that Bank shall not be:
 - (i) liable for any act or omission of any prior landlord (including the Owner) [provided, however, that, subject to the provisions of paragraph 2 above, the Lessee shall retain its rights and remedies under the Lease arising out of such act or omission]; or
 - (ii) subject to any offsets which the Lessee might have or thereafter have against any prior landlord (including the Owner); or
 - (iii) bound by any prepayment of more than one (1) month's minimum rental under the Lease to any prior landlord (including the Owner); or
 - (iv) bound by an amendment, modification or surrender of the Lease made without its consent.
- 4. BANK'S RIGHT TO PROCEED AGAINST LESSEE. In the event the Bank shall succeed to the interest of the Owner under the Lease, the Bank will have the same remedies by entry, action or otherwise for the nonperformance of any agreement contained in the Lease, for the recovery of rent, for the doing of any waste or for any other default, as Owner had or would have had the succession not taken place, and this right shall exist whether or not the Lease is formally terminated; in any such action, Lessee waives the necessity of Owner being made a party to such proceeding.
- 5. NON-DISTURBANCE PROVISIONS. In the event the Mortgage shall be foreclosed, or in the event Bank otherwise succeeds to the interest of the Owner under the Lease, and provided that Lessee is not then in default under the Lease, the Lease shall not terminate on account of such foreclosure or other such succession, by operation of law or otherwise, so long as the Lessee continues to pay the rents reserved in the Lease and otherwise does not become in default under the Lease.
- 6. BANK'S APPROVAL OR CONSENT. Wherever Bank's consent or approval under the Lease is required, Bank agrees to not unreasonably withhold such consent, and it is understood and agreed that Bank shall not be deemed to have unreasonably withheld such consent or approval, wherein Bank's reasonable discretion to give such approval or consent would reduce the value, decrease the size or impair the structural integrity of the Leased Premises and/or the Property or otherwise impair the security granted under the Mortgage.
- 7. <u>LESSEE'S CERTIFICATION</u>. Lessee hereby confirms and certifies to Bank the following:

- (a) That the Lease is in full force and effect and has not been modified, altered or amended and constitutes a complete statement of the agreement between Owner and Lessee with respect to the leasing of the Leased Premises.
- (b) That, as of the date hereof, Lessee has no charge, lien or claim of offset or credit against rentals or other charges coming due under the Lease, nor have rentals been prepaid except as expressly provided by the terms of the Lease.
- (c) That Lessee has been notified that the Lease has been or will be assigned to Bank as security for the Loan, and Lessee has no notice of a prior assignment, hypothecation or pledge of rents or the Lease.
- (d) That there are no actions, either voluntary or involuntary, pending against the Lessee under the bankruptcy laws of the United States, or under the bankruptcy laws of any state.
 - (e) That to the knowledge of Lessee, neither Owner nor Lessee is in default under the Lease.
- (f) That all rentals due or coming due under the Lease are currently paid or due to be paid to the Owner.
- (g) That this certification is made with the knowledge that Bank is relying on this certification in making the Loan to the Owner.
- 8. SURVIVAL. This instrument shall survive any foreclosure of the Leased Premises, or any other succession by Bank to the interest of the Owner with respect to the Leased Premises, and shall remain in full force and effect until the end of the Lease term and all exercised optional extension periods, or upon satisfaction of the Mortgage and all renewals, modifications, consolidations, replacements, and extensions of the Mortgage, whichever shall first occur.
- 9. LIMITATION OF BANK'S LIABILITY. Except for Bank's breach of the terms of this Agreement or arising out of the illegal actions of Bank, Lessee shall look solely to the Owner's leasehold interest in the Property for recovery of any judgment or damages from Bank, its successors and assigns, and neither Bank nor its successors or assigns shall have any personal liability, directly or indirectly, under or in connection with the Lease or this Agreement or any amendment or amendments to either thereof made at any time or times, heretofore or hereafter, and Lessee hereby forever and irrevocably waives and releases any and all such personal liability. The limitation of liability provided in this paragraph is in addition to, and not in limitation of, any limitation of liability applicable to Bank, its successors and assigns, provided by law or by any other contract, agreement or instrument.
- 10. APPROVALS. The Owner has joined in this Agreement for the purpose of expressing its consent and agreement to be bound by the provisions hereof.
- 11. NOTICES. All notices or demands hereunder shall be sufficient if sent by United States registered or certified mail, postage prepaid, addressed as follows:

If to Bank:

SouthTrust Bank, National Association P. O. Box 2554
Birmingham, Alabama 35290
ATTENTION: Hospital Finance Group

If to Lessee:

Brookwood Health Services, Inc. c/o Brookwood Medical Center

2010 Brookwood Medical Center Drive

Birmingham, Alabama 35209

ATTENTION: Chief Executive Officer

If to Owner:

NSC 31, L.L.C.

Johnson Development, Inc. 1900 International Park Drive Birmingham, Alabama 35243

ATTENTION: Mr. James M. Johnson

or such other address as any party may hereafter designate in writing to the other.

12. BINDING EFFECT. This Agreement and all of the covenants, terms, conditions and obligations herein contained are covenants running with the land and binding thereon and shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns and successors in title to the Leased Premises and successors in title to the Property.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed effective on the day and year first above written.

BANK:

SOUTHTRUST BANK, NATIONAL ASSOCIATION

By: James A. Barnes

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LESSEE:

BROOKWOOD HEALTH SERVICES, INC.

By: Vice President

OWNER:

NSC 31, L.L.C., an Alabama limited liability company

By: JOHNSON INVESTMENT COMPANY, LTD. an Alabama limited partnership, its Managing Member

By: JOHNSON DEVELOPMENT, INC. an Alabama corporation, its General Partner

James M. Johnson, President

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STATE OF Alabama) COUNTY OF Jefferson)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that whose name as vice resident of SouthTrust Bank, National Association, a national banking association, 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 for and as the act of said banking association.
Given under my hand and official seal, this the 1612 day of 00000, 1998.
Notary Public (SEAL)
My Commission Expires: 10200
STATE OF <u>CALIFORNIA</u>) COUNTY OF <u>SANTA</u> BARBARA
I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Terence P. McMullen, whose name as <u>Vice President</u> of
Brookwood Health Services, Inc., an Alabama 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 said 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 and official seal, this the 14th day of October, 1998.
TENESA GRIMES Commission # 1/04851 Notary Public — Collifornia Santa Barbara County My Commission Expires: 7/3/2000

STATE OF ALABAMA) COUNTY OF DILLINGUM)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that James M. Johnson, whose name as President of Johnson Development, Inc., an Alabama corporation, as General Partner of Johnson Investment Company, Ltd., an Alabama limited partnership, as Managing Member of NSC 31, L.L.C., an Alabama limited liability company, 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 for and as the act of said corporation, acting in its capacity as General Partner of said limited partnership, acting in its capacity as Member of said limited liability company as aforesaid.

Given under my hand and official seal, this the 16th day of 0th 1998.

Notary Public

My Commission Expires:

K:\STB\NORTH SHELBY MOB\DOC\SNDA.WPD

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EXHIBIT A

DESCRIPTION OF PROPERTY

The following described property located in Shelby County, Alabama:

A part of the SW-1/4 of Section 13, Township 20 South, Range 3 West, Shelby County, Alabama more particularly described as follows: From the southwest corner of said SW-1/4 of the SW-1/4; thence S-89°53′33″ E along the section line, 969.65 feet to a point on the easterly right of way line of U.S. Highway No. 31; thence N-12°00′06″ W along said right of way line, 428.12 feet; thence leaving said right of way run No. 31; thence N-12°00′06″ W along said right of way line, 428.12 feet; thence leaving said right of way run No. 89°58′10″ E, 62.48 feet; thence N-00°01′50″ W, 9.86 feet to the point of beginning; thence N-89°58′10″ E, 190.50 feet; thence N-00°01′50″ W, 95.50 feet; thence S-89°58′10″ W, 116.04 feet; thence N-37°16′22″ W, 17.85 feet; thence S-67°52′18″ W, 89.88 feet; thence S-49°25′47″ E, 25.85 feet; thence S-00°01′50″ E, 59.07 feet to the point of beginning. Containing 0.43 acres more or less.

Subject to existing rights of way fo public rood's, utility lines, easements and restrictions of record, if any.

Inst # 1998-40836

10/20/1998-40836 10:59 AM CERTIFIED 9SHELBY COUNTY JUDGE OF PROBATE 009 HEL 29.50