

Inst # 1999-00211

NONENCUMBRANCE AGREEMENT

STATE OF ALABAMA)
SHELBY COUNTY)

THIS NONENCUMBRANCE AGREEMENT (this "Agreement") is entered into as of the 30th day of December, 1998 by and between **Asbury United Methodist Church**, an Alabama non-profit corporation (the "Borrower") and **BancorpSouth Bank** (the "Lender").

WITNESSETH:

WHEREAS, the Borrower is indebted to Lender in the principal amount of approximately Two Million Eight Hundred Seventy Three Thousand Four Hundred Sixty Nine & 72/100 Dollars (\$2,873,469.72) (hereinafter referred to for convenience as the "Loan") represented by that certain Promissory Note of the Borrower in said principal amount of even date herewith (said Promissory Note and all renewals, replacements, modifications, amendments and consolidations thereof or thereto being hereinafter referred to for convenience as the "Note"); and

WHEREAS, the Lender is willing to make the Loan evidenced by the Note on the condition that, among other things, the Borrower executes and delivers this Agreement.

NOW, THEREFORE, in consideration of the Lender's agreement to make the Loan evidenced by the Note, the Borrower hereby agrees as follows:

1. Unless the Lender shall otherwise agree in writing, the Borrower will not mortgage, pledge, grant or permit to exist a security interest in or lien upon the real estate described in Exhibit A attached hereto except for the following:
 - (a) Liens for taxes, assessments or similar charges, incurred in the ordinary course of business that are not yet due and payable;
 - (b) Encumbrances consisting of zoning restrictions, easements or other restrictions on the use of real property, none of which materially impairs the use of such property by the Borrower, and none of which is violated in any material respect by existing or proposed structures or land use; and

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(c) **Mortgages and other liens in favor of the Lender.**

2. The Borrower will maintain insurance coverages with an insurance company or companies satisfactory to the Lender on all of its properties in such amounts and against such risks as is customarily maintained in its business (including insurance on its buildings, fixed assets and other properties), as well as workmen's compensation and similar insurance required by law, adequate public liability insurance, and such additional insurance as the Lender reasonably may request. The Borrower shall furnish to the Lender such evidence of insurance as the Lender may require from time to the time.

3. This Agreement shall not terminate until one of the duly authorized officers of Lender signs a written termination agreement, and Lender agrees to sign such a termination agreement upon Borrower paying in full all amounts owing to Lender under the Note or in connection with the Loan; provided, however, that in no event shall the Lender be obligated to terminate this Agreement if there shall be existing any Event of Default under the Loan or the Note or any other agreement between Lender and Borrower, and (i) until payment in full of all amounts owing to Lender under the Note or in connection with the Loan and (ii) the expiration of the applicable period for avoiding or setting aside such payment under bankruptcy or insolvency laws. Even if the Borrower should pay all amounts owing to Lender in connection with the Loan, this Agreement will continue until the written termination agreement referred to above has been executed by the Lender. No termination of this Agreement shall in any way affect or impair the representations, warranties, agreements, covenants, obligations, duties and liabilities of the Borrower or the powers, rights and remedies of the Lender under the Note or any documents or instruments executed in connection therewith, all of which shall survive such termination.

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

"BORROWER"

ASBURY UNITED METHODIST CHURCH

BY: _____


Russ Allison, President and Trustee

By: _____


Craig Bailey, Secretary and Trustee

"LENDER"

BANCORPSOUTH BANK

BY: [Signature]
ITS: [Signature]

RE-3864.1

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that **Russ Allison** whose name as President and Trustee of **Asbury United Methodist Church** 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 this said instrument, he as such President and Trustee 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 30th day of December, 1998.

Catherine M. Mills
Notary Public 11-2-02
My Commission Expires

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that **Craig Bailey** whose name as Secretary and Trustee of **Asbury United Methodist Church** 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 this said instrument, he as such Secretary and Trustee 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 30th day of December, 1998.

Catherine M. Mills
Notary Public 11-2-02
My Commission Expires

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Gerald Watkins whose name as Vice President of BancorpSouth Bank 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 this 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 30th day of December, 1998.

Catherine D. Mills

Notary Public

11-2-02

My Commission Expires

CONSENT AND CERTIFICATION

Rev. G. W. Hayes and Rev. James W. Bassham, Jr., the District Superintendent and local pastor of Asbury United Methodist Church, respectively, hereby (i) consent to and approve the above and foregoing Nonencumbrance Agreement and the loan and related transactions contemplated thereby and (ii) certify that the Nonencumbrance Agreement, the loan and the transactions contemplated thereby and the approval thereof conform to The Book of Discipline of the United Methodist Church.

G. W. Hayes
Rev. G. W. Hayes,
District Superintendent

James W. Bassham, Jr.
Rev. James W. Bassham, Jr., Pastor

EXHIBIT "A"

Begin at the SW corner of the SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 5, Township 19 South, Range 1 West, thence East along the South line of same 1333.91 feet to the SE corner of said $\frac{1}{4}$ - $\frac{1}{4}$ Section; thence $89^{\circ}23'$ left North along the East line of said $\frac{1}{4}$ - $\frac{1}{4}$ Section 987.38 feet; thence $90^{\circ}55'$ left West 1343.23 feet to the West line of said $\frac{1}{4}$ - $\frac{1}{4}$ Section, thence $89^{\circ}37'$ left South 11.72 feet; thence $88^{\circ}59'$ left East 50.00 feet; thence $88^{\circ}59'$ right South 359.41 feet to North line of Ford Crest Drive; thence $106^{\circ}43'$ right Northwest along said drive 52.21 feet to the West line of said $\frac{1}{4}$ - $\frac{1}{4}$ Section, thence $106^{\circ}43'$ left South along said West line 622.69 feet to the point of beginning; being situated in Shelby County, Alabama.

Together with the following described property:

Commence at the SE corner of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 6, Township 19 South, Range 1 West; thence North along the East line of said $\frac{1}{4}$ - $\frac{1}{4}$ Section 325.00 feet to the point of beginning; thence continue along the last named course 60.00 feet; thence $89^{\circ}58'$ left West 1270.76 feet to the East right of way line of Highway No. 119; thence $60^{\circ}17'$ left, Southwest along said right of way 69.09 feet; thence $119^{\circ}43'$ left East 1305.04 feet to the point of beginning; being situated in Shelby County, Alabama.

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