

MORTGAGE SUBORDINATION AGREEMENT

THIS AGREEMENT is effective this 18th day of December, 1998 (hereinafter the "Agreement") and is by and among COLONIAL BANK (hereinafter "Bank") and ABM DEVELOPERS, LLC (hereinafter "Subordinate Mortgagee").

WHEREAS, STYLE CONSTRUCTION INC. (hereinafter "Borrower") are currently indebted to Subordinate Mortgagee. Such indebtedness is evidenced by a mortgage filed for record on June 9, 1998 from Borrower to Subordinate Mortgagee (hereinafter "Subordinate Mortgage"). The Subordinate Mortgage is recorded as Instrument 1998-21212 in the Office of the Judge of Probate of Shelby County, Alabama, and is of and concerns the following described property (hereinafter "Property"), to wit:

Lot 23, according to the Amended Map of Rushing Parc, Sector Two, as recorded in Map Book 20, page 33, in the Probate Office of Shelby County, Alabama.

WHEREAS Borrower has requested Bank to increase its loan to Borrower from \$265,500.00 to \$339,150.00, and Bank has agreed to make such increase, provided, among other things that Borrower amends the first mortgage it has given to Bank to include this increased amount (hereinafter, along with such amendment increasing the amount of the first mortgage, the "Bank Mortgage"), and that Subordinate Mortgagee enter into this Agreement and subordinates its rights under the Subordinate Mortgage to the rights of Bank under the Bank Mortgage. The amendment to the Bank Mortgage will be filed contemporaneously herewith.

WHEREAS Subordinate Mortgagee has agreed to enter into this Agreement.

NOW THEREFORE in consideration of \$10.00, Bank making new loans to Borrower, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Lien Priority: From and after the date hereof: (a) the Bank Mortgage shall have priority over the Subordinate Mortgage; and (b) the Subordinate Mortgage shall be and at all times remain, subject, inferior, and subordinate to the Bank Mortgage.

The priorities of the mortgages established, altered, or specified hereinabove shall be applicable, irrespective of the time or order of attachment, perfection, or recordation thereof, the method of perfection, the time or order of filing of mortgages or taking of possession, or the giving of or failure to give notice; provided, however, that the subordinations and relative priorities set forth herein are expressly conditioned upon the due and proper perfection, recordation, and the nonavoidability by a bankruptcy trustee, of any mortgage interest which has been accorded priority pursuant hereto; and provided, further, however, that if any mortgage interest to which any other interest has been subordinated pursuant hereto is not now perfected or recorded, or hereafter ceases to be perfected or recorded, or is avoidable by a bankruptcy trustee for any

reason, then, the subordination specified herein with respect to such interests shall, to the extent not perfected, recorded, or avoidable, as the case may be, not be effective.

The relative priorities of any interests which are not established, altered, or specified herein shall exist and continue in accordance with the applicable provisions of law.

2. Contesting Liens or Security Interest: Neither Bank nor Subordinate Mortgagee shall contest the validity, perfection, priority or enforceability of any lien or mortgage granted to the other. Bank and Subordinate Mortgagee hereby agree to cooperate in the defense of any action contesting the validity, perfection, priority or enforceability of such liens or mortgage.

3. Modification of Loans: Bank or Subordinate Mortgagee at any time and from time to time, may enter into such agreement or agreements with Borrower as they may deem proper, extending the time of payment of, or renewing or otherwise altering the terms of all or any of Borrower's obligations or debts to Bank and/or Subordinate Mortgagee or affecting the security or property underlying any or all of such obligations or debt, or may exchange, sell, release, surrender or otherwise deal with any such security or property, without in any way impairing or affecting this agreement thereby.

4. Credit Investigations: Neither Bank nor Subordinate Mortgagee, nor any of their respective directors, officers, agents or employees shall be responsible to the other or to any other person, firm or corporation, for Borrower's solvency, financial condition or ability to repay their obligations to Bank or Subordinate Mortgagee, or for any statements of Borrower, oral or written, or for the validity, sufficiency or enforceability of the Borrower's obligations to Bank or Subordinate Mortgagee, or any liens or security interest granted by Borrower to Bank or Subordinate Mortgagee in connection therewith. Bank and Subordinate Mortgagee have each entered into their respective financing agreement with Borrower based upon their own independent investigation and make no warranty or representation to the other nor do they rely upon any representation of the other with respect to matters identified or referred to in this paragraph. Neither Bank nor Subordinate Mortgagee nor any of their respective directors, officers, agents or employees shall be responsible to the other or to any other person, firm or corporation for the furnishing or sharing of any statements of, or credit, financial or other materials or data received from Borrower.

5. Notice upon Foreclosure or Default: In the event of a default in Borrower's obligations to Bank or Subordinate Mortgagee, and such party decides to foreclose its mortgage, then Bank or Subordinate Mortgagee, as the case may be, shall give to the other party hereto notice of such foreclosure sale thirty days prior to its occurrence.

6. Duration: This Agreement shall remain in full force and effect until (i) all obligations of Borrower to Bank on the one hand, or Subordinate Mortgagee, on the other hand, have been paid and satisfied in full and Bank, on the one hand, or Subordinate Mortgagee on the other hand, have terminated and satisfied their mortgages with Borrower or (ii) upon the mutual agreement in writing of all parties hereto, whichever is the first to occur.

7. Choice of Law: This Agreement shall be construed and enforced in accordance with the laws of the State of Alabama.

8. Counterparts: This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one and the same instrument.

IN WITNESS THEREOF, Bank and Subordinate Mortgagee have executed this Agreement effective as of the date first above written.

BANK:

COLONIAL BANK

By: _____

(Its Chief President)

SUBORDINATE MORTGAGEE:

ABM DEVELOPERS, LLC

By: _____

(Its member)

BORROWER'S ACCEPTANCE

Borrower hereby acknowledges receipt of, notice of, consents to, and agrees to be bound by the terms and provisions of the within and foregoing Subordination Agreement as they relate to the relative rights and priorities of Bank and Subordinate Mortgage; provided, however, that nothing in the foregoing Subordination Agreement shall amend, modify, change or supersede the respective terms of the documentation and agreements between Borrower, Bank, and Subordinate Mortgagee.

BORROWER:

STYLE CONSTRUCTION INC.

By: _____

(Its President)

[ACKNOWLEDGEMENTS ON NEXT PAGE]

STATE OF ALABAMA
COUNTY OF JEFFERSON

ACKNOWLEDGMENT OF BANK

I, the undersigned Notary Public in and for said County in said State, hereby certify that Lamar C. Guthrie, whose name as Vice President of COLONIAL 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 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 and seal of office this 18th day of December, 1998

Capital M. J. J. J.
Notary Public

My Commission Expires: June 22, 2002

STATE OF ALABAMA
COUNTY OF JEFFERSON

ACKNOWLEDGEMENT OF
SUBORDINATE MORTGAGEE

I, the undersigned Notary Public in and for said County in said State, hereby certify that Bill H. Andridge, whose name as Member of ABM DEVELOPERS, LLC 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 company.

Given under my hand and seal of office this 6 day of January 1999 ~~December 1998~~

[Signature]
Notary Public

My Commission Expires: 2/23/2000

THIS INSTRUMENT PREPARED BY AND AFTER
RECORDATION SHOULD BE RETURNED TO

William B. Hairston III
Engel Hairston and Johanson P.C.
P.O. Box 370027
Birmingham, Alabama 35237
(205) 328-4600

Inst # 1999-04363