

**This Instrument Prepared By:**  
John G. Lowther, P.C.  
Attorney at Law  
3500 Independence Drive  
Birmingham, AL 35209

**STATE OF ALABAMA  
COUNTY OF SHELBY**

**THIRD PARTY LENDER AGREEMENT**

This **THIRD PARTY LENDER AGREEMENT** is by and between National Bank of Commerce of Birmingham (hereinafter the "Prior Lienholder") and Alabama Community Development Corporation, (hereinafter along with its successors and assigns, the "CDC").

**RECITALS**

**WHEREAS**, Chander Arora, (the "Borrower") is the owner of the real estate located at 3850 Highway 25, Montevallo, Alabama 35115, and described as follows: Lot 2, according to the Survey of Givhan's Subdivision, as recorded in Map Book 3, page 130, in the Probate Office of Shelby County, Alabama, (the "Real Estate"), and Prior Lienholder has made loans in the original principal amounts of \$105,000.00, now by modification, \$127,000.00 (the "\$127,000.00 Prior Loan"), and \$73,500.00 (the "\$73,500.00 Prior Loan"), (collectively the "Prior Loans"), and the Prior Loans are secured by Mortgages, dated March 1, 1999, and recorded, respectively, as Instrument # 1999 - 08334, and modified October 29, 1999, and recorded as Instrument # 1999-46796 (the "Prior First Mortgage"), and as Instrument # 1999 - 08335, (the "Prior Second Mortgage"), in the Office of the Judge of Probate of Shelby County, Alabama.

**WHEREAS**, CDC has agreed to make a loan in the amount of \$79,000.00 (the "504 Loan") to Borrower, and the 504 Loan will be secured by a mortgage on the Real Estate (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 \$73,500.00 from CDC in accordance with instruction given to CDC by Borrower. Such \$73,500.00 will reduce the \$73,500.00 Prior Loan secured by the Prior Second Mortgage, and the principal balance of the Prior Loans will upon such reduction be no more than \$127,000.00, and will be the only obligation superior to Borrower's obligations to CDC which are secured by the 504 Mortgage.

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2. **Subordination of Future Advances and Default Charges.** Except for liens arising from advances under the Prior First Mortgage or Prior Second Mortgage, intended to preserve the Real Estate and made pursuant to the Prior First Mortgage or Prior Second Mortgage, any lien securing any sum advanced to Borrower by Prior Lienholder after the date of this Agreement and any prepayment penalties, late fees, default interest or other default charges in conjunction with the Prior Loans 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 or the Prior Second Mortgage 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, the Prior Second Mortgage, 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 default within thirty (30) days after the occurrence of the default. After a 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, Alabama Community Development Corporation, at 3 Office Park Circle, Suite 300, Mountain Brook, Alabama 35223, 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 13<sup>th</sup> day of December, 1999.

PRIOR LIENHOLDER:

National Bank of Commerce of  
Birmingham

By:   
Its: Vice President

CDC:

Alabama Community Development  
Corporation

Attest:   
Diane McDonald, Secretary

By:   
Diane D. Roehrig, President

**ACKNOWLEDGED AND CONSENTED TO:**

**BORROWER:**

Chander Arora, individually and as a  
sole proprietor dba Lucky Shoppers

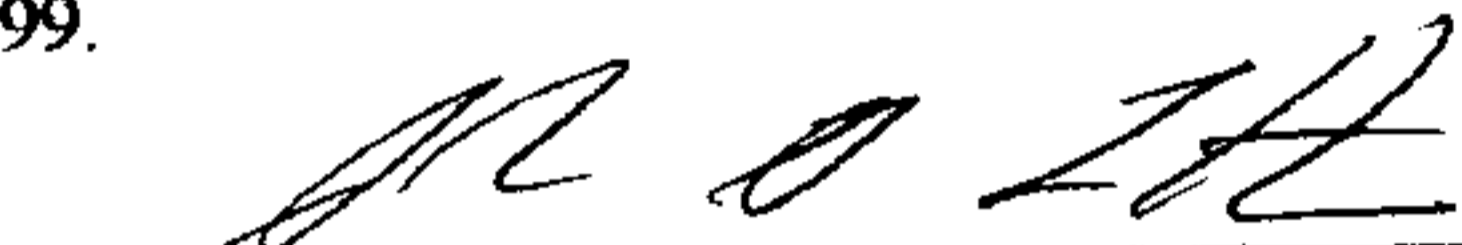
  
Chander Arora

**STATE OF ALABAMA  
JEFFERSON COUNTY**

**Acknowledgment of National Bank of Commerce of Birmingham**

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that T. Chris Patty, whose name as Vice President of National Bank of Commerce of Birmingham, 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 Bank, acting in his capacity as aforesaid. Given under my hand and official seal this the 13<sup>th</sup> day of December, 1999.

My Commission Expires: 1-3-03


  
Notary Public

**STATE OF ALABAMA  
JEFFERSON COUNTY**

**Acknowledgment of CDC**

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Diane D. Roehrig, whose name as President of Alabama Community Development 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, she, as such officer, and with full authority, executed the same voluntarily, as an act of said Corporation, acting in her capacity as aforesaid. Given under my hand and official seal this the 13<sup>th</sup> day of December, 1999.

My Commission Expires: 1-3-03


  
Notary Public

**STATE OF ALABAMA  
COUNTY OF JEFFERSON**

**Acknowledgment of Borrower**

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Chander Arora, whose name 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 executed the same voluntarily. Given under my hand this 13<sup>th</sup> day of December, 1999.

My Commission Expires: 1-3-03

  
Notary Public

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