

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

Tenant: SMART ART SOUTH, INC.

Premises: 401 Canyon Park, Pelham, AL 35124

Real Property: 401 Canyon Park, Pelham, AL 35124

Date of Lease: February 24, 2000 (the "Lease")

Inst # 2000-06289
02/29/2000-06289
09:49 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
13.50
003 MMS

THIS AGREEMENT is dated the 24th day of February, 2000, and is made by and among REGIONS BANK ("Lender"), Christopher L. Harris and Jennifer M. Harris ("Landlord"), and SMART ART SOUTH, INC. ("Tenant").

RECITALS:

A. Tenant has entered into the Lease covering the Premises with Landlord.

B. Lender has agreed to make first mortgage and second mortgage loans to Landlord, secured by a mortgage of the Real Property containing the Premises (collectively, the "Mortgage").

NOW THEREFORE, in consideration of the mutual promises herein contained and other valuable consideration, the parties agree as follows:

1. The Lease and all renewals or modifications shall be subordinate to the Mortgage insofar as it affects the Real Property of which the Premises form a part.

2. Tenant shall attorn to and recognize any purchaser at a foreclosure sale under the Mortgage, any transferee who acquired the Premises by deed in lieu of foreclosure, and the successors and assigns of such purchaser, as its Landlord for the unexpired balance (and any extensions, if exercised) of the Lease on the same terms and conditions set forth in the Lease.

3. If it becomes necessary to foreclose the Mortgage or if a purchaser or other transferee acquires the Premises in accordance with paragraph 2, the Lease shall remain in full force and effect and neither Lender nor such other transferee shall terminate the Lease, nor interfere with, abridge or limit Tenant's use, possession or enjoyment of the Premises or any of Tenant's rights and privileges under the Lease, nor join Tenant in summary or foreclosure proceedings. The preceding sentence shall apply only so long as Tenant is not in default under any of the terms, covenants, or conditions of the Lease beyond any applicable grace or cure period.

4. If Lender succeeds to the interest of Landlord under the Lease, Lender shall not be:

- a. liable for any act or omission of any prior landlord (including Landlord);
- b. liable for the return of any security deposit unless such deposit has been delivered to Lender by Landlord or is in an escrow fund available to Lender;
- c. subject to any offsets or defenses that Tenant might have against any prior landlord (including Landlord);
- d. bound by any rent or additional rent that Tenant might have paid for more than the current month to any prior landlord (including Landlord);
- e. bound by any amendment, modification, or termination of the Lease made without Lender's consent;
- f. bound by any termination of the Lease given by Landlord to Tenant without Lender's prior written consent, except for any option granted to Tenant in the Lease to terminate all or any portion of the Lease.

5. Landlord has agreed under the Mortgage and other loan documents that rentals payable under the Lease shall be paid directly by Tenant to Lender upon default by Landlord under the Mortgage. After receipt of notice from Lender to Tenant, that rentals under the Lease shall be paid to Lender, Tenant shall pay to Lender, or at the direction of Lender, all monies due or to become due to Landlord under the Lease. Tenant shall have no responsibility to ascertain whether such demand by Lender is permitted under the Mortgage, or to inquire into the existence of a default. Landlord hereby waives any right, claim or demand it may now or hereafter have against Tenant by reason of such payment to Lender, and any such payment shall discharge the obligation of Tenant to make such payment to Landlord, and Tenant shall make such payment notwithstanding any claim from Landlord that no default by Landlord exists. Lender shall defend, indemnify and save Tenant harmless from any claims, losses, expenses or liabilities (including reasonable attorney's fees and other costs of defense) asserted by Landlord arising out of Tenant's complying with Lender's instructions under this paragraph.

6. Tenant shall give Lender, by certified mail, return receipt requested, or by commercial overnight delivery service, a copy of any notice of default Tenant serves on Landlord. If Landlord shall have failed to cure such default within the time provided for in the Lease, then Lender shall have an additional ten (10) days within which to cure any default capable of being cured by the payment of money and an additional thirty (30) days within which to cure any other default. If such default cannot be cured within that time, then Lender shall have such additional time as may be necessary to cure such default if within such thirty (30) days Lender has commenced and is diligently pursuing remedies necessary to cure such default (including, but not limited to, commencement of foreclosure proceedings, if necessary), in which event the Lease shall not be terminated while such remedies are being diligently pursued.

7. This Agreement shall be binding on and shall inure to the benefit of the parties hereto

and their successors and assigns.

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

LENDER:

Date: 2/24/00

REGIONS BANK

By:
Its:

[Signature]
Vice President

TENANT:

Date: 2/24/00

SMART ART SOUTH, INC.

[Signature]
Jennifer M. Harris, President

LANDLORD:

Date: 2/24/00

[Signature]

CHRISTOPHER L. HARRIS

[Signature]
JENNIFER M. HARRIS

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