

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (this "Agreement"), dated August 23rd, 2000 is executed by National City Bank of Indiana (formerly known as Fort Wayne National Bank) (the "Junior Lienor") in favor of National Bank of Commerce of Birmingham, a national banking corporation ("NBC").

Recitals

A. NBC has agreed to make a line of credit available to the borrower, Holcombe Home Center, Inc. (the "Borrower") in the maximum principal amount of \$1,250,000 (the "Loan").

B. The Borrower executed a certain financing statement dated June 23, 1997 in favor of the Junior Lienor and recorded as Instrument No. 1997-19611 in the Office of the Judge of Probate of Shelby County, Alabama (the "Junior Lien") covering certain property more particularly described therein (the "Property").

C. As an inducement to NBC to making a loan to the Borrower, Holcombe Properties, Ltd. (the "Mortgagor") has agreed to mortgage the Property to NBC as a security for repayment of the loan.

D. NBC requires that their mortgage be superior to the Junior Lien in order to make the loan to the Borrower.

E. The Borrower has requested that the Junior Lienor agree to subordinate the Junior Lien to the mortgage to be given to NBC.

Agreement

NOW, THEREFORE, in consideration of the foregoing recitals and in further consideration of \$1.00 and other good and valuable consideration in hand paid to the Junior Lienor, the receipt and sufficiency of which is hereby acknowledged, the Junior Lienor covenants and agrees as follows:

SECTION 1 Subordination. The Junior Lien shall at all times be subject and subordinate in all respects to the mortgage granted by the Mortgagor to NBC covering the Property (the "Senior Mortgage") and to all extensions, renewals, consolidations and modifications thereof, replacements therefor and supplements thereto with the same force and effect as if the Senior Mortgage had been executed, acknowledged, delivered and recorded prior to the execution, acknowledgment and delivery of the Junior Lien.

SECTION 2 Successors and Assigns. This Agreement shall be binding upon and inure to the parties, their respective heirs, successors and assigns, and the terms "Junior Lienor," "NBC" and "Borrower," as used in this Agreement, shall include their respective heirs, successors and assigns.

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10:37 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE

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Inst # 2000-30689

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

JUNIOR LIENOR:

NATIONAL CITY BANK OF INDIANA (formerly known as Fort Wayne National Bank)

By *Henry C. Hall*
its Assistant Vice President

STATE OF Indiana)
COUNTY OF Allen)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Henry Hall, whose name as Asst. Vice President of National City Bank of Indiana (formerly known as Fort Wayne National Bank), a n Indiana 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, (s)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 23rd day of August, 2000.

Ann L. Miller

Notary Public Ann L. Miller

[AFFIX SEAL]

My Commission Expires: January 7, 2007
Resident of Whitley County, Indiana

This instrument prepared by:

Stephen W. Stallcup, Esq.
Maynard, Cooper & Gale, P.C.
1901 Sixth Avenue North
2400 AmSouth/Harbert Plaza
Birmingham, Alabama 35203
(205) 254-1000

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