

PRIOR LIENHOLDER'S AGREEMENT

This PRIOR LIENHOLDER'S AGREEMENT is by and between REGIONS BANK (the "Prior Lienholder") and BIRMINGHAM CITY WIDE LOCAL DEVELOPMENT COMPANY (hereinafter along with its successors and assigns, the "CDC").

RECITALS

WHEREAS, BAMA TRUSS & COMPONENTS, INC. (the "Borrower") is the owner of the real estate described on the attached Exhibit A (the "Real Estate"). Prior Lienholder has made loans to Borrower in the aggregate principal amount of \$2,211,294.00 (the "Prior Loan"). The Prior Loan is secured in part by a first Mortgage dated this date and recorded as Instrument No. 2002-06093 in the Office of the Judge of Probate of Shelby County, Alabama (the "Prior Mortgage"). The Prior Loan is further secured by a security interest in the equipment and machinery (the "Equipment") owned by Borrower (the "Security Interest").

WHEREAS, CDC has agreed to make a loan in the amount of \$1,000,000.00 (the "504 Loan") to Borrower. The 504 Loan will be secured by a mortgage (the "504 Mortgage") to be recorded in the Office of the Judge of Probate of Shelby County, Alabama, contemporaneously with this agreement, and a security interest in the Equipment.

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 Loan. Following the funding of the 504 Loan, Prior Lienholder will receive \$971,000.00 from CDC in accordance with instruction given to CDC by Borrower. Such \$971,000.00 will reduce the note secured by the Prior Mortgage, and Security Interest, and the principal balance of the Prior Loan will upon such reduction be no more than \$1,240,294.00, and will be the only obligation superior to Borrower's obligations to CDC which are secured by the Mortgage, and the Security Interest.

2. Subordination of Future Advances, Prepayment Fees, Late Fees, and Increased Post-Default Interest Fees. Except for advances made for reasonable costs of collection, maintenance and protection of the Prior Mortgage or Security Interest, the Prior Lienholder hereby subordinates to the 504 Loan and the lien(s) securing the 504 Loan (a) any sum advanced to the Borrower by the Prior Lienholder after the date of this Agreement and (b) any prepayment penalties, late fees, and increased default interest in connection with the Prior Loan.

3. Compliance with 504 Loan Program Requirements. Prior Lienholder confirms that the note and all other documents executed in connection with the Prior Loan (a) evidence a loan that does not exceed the principal amount permitted by the Authorization for Debenture Guarantee (SBA 504 Loan) issued by the U.S. Small Business Administration ("SBA") to CDC to assist Borrower, (b) have no open-ended features and allow only future advances for

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the reasonable costs of collection, maintenance and protection of the Prior Lienholder's lien thereunder, (c) are not cross-collateralized with any other financing now or hereafter to be provided by Prior Lienholder, (d) have no early call features, (e) are not payable on demand unless the Prior Loan is in default, (f) have a term of at least, and do not require a balloon payment prior to, ten years for a 20-year 504 loan or seven years for a 10-year 504 loan, (g) have a reasonable interest rate that does not, and will not, exceed the maximum interest rate for a third party loan as published by SBA, and (h) do not establish a preference in favor of the Prior Lienholder as compared to CDC or SBA other than the Prior Lienholder's senior lien position. The Prior Lienholder agrees that if any provision in the note or any other document executed in connection with the Prior Loan does not comply with these requirements, then the Prior Lienholder waives its right to enforce any such provision.

4. Waiver of Enforcement of Covenant Not to Encumber the Real Estate. If the Prior Mortgage or any document evidencing the Prior Loan 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.

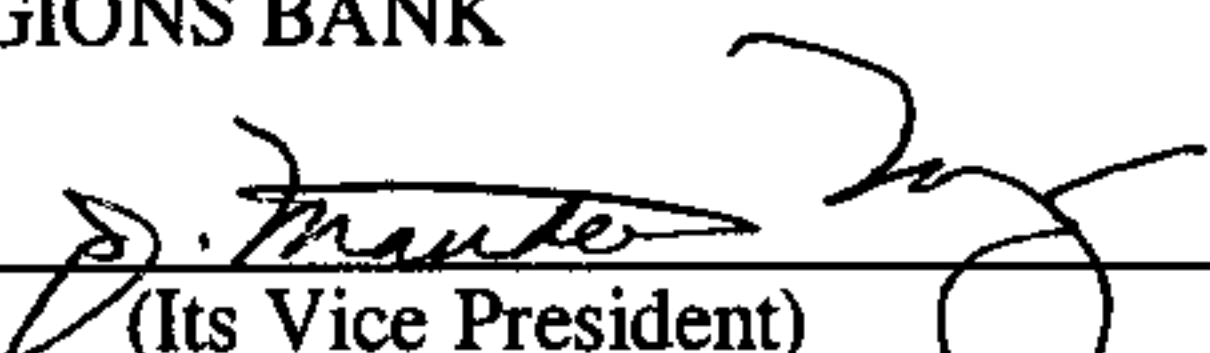
5. Notice of Default Under the Prior Loan. If any default, event of default or delinquency, upon which the Prior Lienholder intends to take action, occurs under the Prior Mortgage or Security Interest or any document executed in connection with the Prior Loan, then the Prior Lienholder agrees to give the CDC and the U.S. Small Business Administration (the "SBA") written notice of such default, event of default or delinquency and the opportunity to cure or to purchase the note evidencing the Prior Loan and the Prior Mortgage prior to foreclosure. Such notice must be given within thirty (30) days after the default, event of default or delinquency upon which the Prior Lienholder intends to take action and at least sixty (60) days prior to the date of any proposed sale and the Prior Lienholder will not sell all or any portion of its collateral without giving the CDC and the SBA such notice. Notice under this Agreement shall be deemed to have been given when sent by certified or registered mail, return receipt requested, addressed, as the case may be, to the CDC, BIRMINGHAM CITY WIDE LOCAL DEVELOPMENT COMPANY at 110 North 12th Street, Birmingham, Alabama, 35203, and to the SBA at its Birmingham District Office, 801 Tom Martin Drive, Suite 201, Birmingham, Alabama 35211, Attention: District Counsel.

6. 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 24 day of January, 2002.

REGIONS BANK

By


(Its Vice President)

ACKNOWLEDGED AND CONSENTED TO:

BAMA TRUSS & COMPONENTS, INC.

By: Jon Patrick Shugrue
Jon Patrick Shugrue (Its President)

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that J. Matt Mayo, whose name as Vice President of REGIONS BANK, a 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, he, as such officer, and with full authority, executed the same voluntarily, as an act of said corporation, acting in his capacity as aforesaid.

Given under my hand and official seal, this the 24 day of January, 2002.

[Signature]
NOTARY PUBLIC
My Commission Expires: 6/17/03

THIS INSTRUMENT PREPARED BY:
William B. Hairston III
ENGEL HAIRSTON & JOHANSON, P.C.
4th Floor 109 North 20th Street
P.O. Box 370027
Birmingham, Alabama, 35237-0027
(205) 328-4600

EXHIBIT "A"
TO
MORTGAGE
AFFIDAVIT AND AGREEMENT
PRIOR LIENHOLDER'S AGREEMENT
HAZARDOUS SUBSTANCE INDEMNIFICATION AND WARRANTY AGREEMENT

BORROWER: BAMA TRUSS & COMPONENTS, INC.
LENDER: BIRMINGHAM CITY WIDE LOCAL DEVELOPMENT COMPANY

PARCEL A:

A parcel of land in the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 13, Township 22 South, Range 1 West, Shelby County, Alabama, being the same land described in a deed to Bama Truss & Components, Inc. from Westervelt Land Company, Inc., recorded in Instrument Number 1993-00717 of the Property Records of Shelby County. Said tract of land being more particularly described as follows:

Commencing at a $\frac{3}{4}$ " rebar found at the Southeast corner of said Section 13, thence North 01 degrees 37 minutes 07 seconds East, along the East line of Section 13 a distance of 555.19 feet to a point in the North line of the Heart of Dixie Railroad Club Railroad right of way, thence South 69 degrees 16 minutes 39 seconds West along a chord in a curve concave to the North with a radius of 1925 feet, a distance of 380.27 feet to a $\frac{1}{2}$ " rebar set with a cap stamped "S. Wheeler RPLS 16165" for the point of beginning; thence continuing along said curve, a chord that bears South 81 degrees 30 minutes 41 seconds West, a distance of 440.21 feet to a point; thence North 01 degrees 14 minutes 21 seconds East, a distance of 103.84 feet to an iron pin found with a cap stamped "Gulf States Paper Company LS 12709"; thence South 84 degrees 52 minutes 37 seconds East, a distance of 434.87 feet to the point of beginning.

PARCEL B:

A parcel of land in the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 13, Township 22 South, Range 1 West, Shelby County, Alabama; being the same land described in a deed to Jon Patrick Shugrue from Waymon D. Rasco, Jr., recorded in Deed Book 152, page 416, of the Property Records of Shelby County. Said tract of land being more particularly described as follows:

Commencing at a $\frac{3}{4}$ " rebar found at the Southeast corner of said Section 13, thence North 01 degrees 37 minutes 07 seconds East, along the East line of Section 13 a distance of 555.19 feet to a point in the North line of the Heart of Dixie Railroad Club Railroad right of way, thence South 69 degrees 16 minutes 39 seconds West along a chord in a curve, concave to the North with a radius of 1925 feet, a distance of 380.27

feet to a ½" rebar set with a cap stamped "S. Wheeler RPLS 16165", thence continuing along said curve, a chord that bears South 81 degrees 30 minutes 41 seconds West, a distance of 440.21 feet to the point of beginning; thence continuing along said curve, a chord that bears South 89 degrees 48 minutes 36 seconds West, a distance of 116.47 feet to a point; thence North 88 degrees 27 minutes 24 seconds West, along the North line of said railroad, a distance of 909.38 feet to a ½" rebar set with cap stamped "S. Wheeler RPLS 16165"; thence North 15 degrees 47 minutes 34 seconds West, a distance of 19.55 feet to a point; thence North 03 degrees 09 minutes 45 seconds East, a distance of 30.00 feet to a point; thence North 15 degrees 08 minutes 39 seconds East, a distance of 66.28 feet to a point; thence North 14 degrees 05 minutes 53 seconds East, a distance of 54.30 feet to a point; thence North 02 degrees 41 minutes 10 seconds East, a distance of 32.45 feet to a point; thence North 18 degrees 34 minutes 35 seconds West, a distance of 32.43 feet to a point; thence North 47 degrees 32 minutes 30 seconds West, a distance of 26.60 feet to a point; thence North 79 degrees 48 minutes 37 seconds West, a distance of 15.94 feet to a ½" rebar set stamped "S. Wheeler RPLS 16165"; thence North 06 degrees 03 minutes 14 seconds West, a distance of 44.29 feet to a ½" rebar set stamped "S. Wheeler RPLS 16165"; thence South 83 degrees 26 minutes 20 seconds East, a distance of 79.12 feet to a ½" rebar set stamped "S. Wheeler RPLS 16165"; thence South 85 degrees 51 minutes 02 seconds East, a distance of 179.83 feet to a ½" rebar set stamped "S. Wheeler RPLS 16165"; thence South 80 degrees 34 minutes 53 seconds East, a distance of 50.20 feet to a ½" rebar set stamped "S. Wheeler RPLS 16165"; thence North 01 degrees 07 minutes 19 seconds East, a distance of 54.80 feet to a rebar found stamped "F. Wheeler RPLS 3385", thence South 88 degrees 51 minutes 10 seconds East, a distance of 247.04 feet to a rebar found stamped "F. Wheeler RPLS 3385"; thence South 88 degrees 51 minutes 10 seconds East, a distance of 499.04 feet to a rebar found stamped "F. Wheeler RPLS 3385"; thence South 01 degrees 14 minutes 21 seconds West, a distance of 223.36 feet to an iron pin found with cap stamped "Gulf States Paper Company RPLS 12709" at the Northwest corner of Parcel A; thence continuing South 01 degrees 14 minutes 21 seconds West, along the West line of Parcel A, a distance of 103.84 feet to the point of beginning.

PARCEL C:

A parcel of land in the Southeast ¼ of the Southeast ¼ of Section 13, Township 22 South, Range 1 West, Shelby County, Alabama, being the same land described in two deeds to Bama Truss & Components, Inc. from Historic Shelby Association, Inc., recorded in Instrument Numbers 1995-20052 and 1996-01030 of the Property Records of Shelby County. Said tract of land being more particularly described as follows:

Commencing at a ¾" rebar found at the Southeast corner of said Section 13, thence North 01 degrees 37 minutes 07 seconds East, along the East line of Section 13, a distance of 555.19 feet to a point in the North line of the Heart of Dixie Railroad Club Railroad right of way, thence South 69 degrees 16 minutes 39 seconds West along a

EXHIBIT "A" (continued)

(Page 3 of 3)

chord in a curve, concave to the North with a radius of 1925 feet, a distance of 380.27 feet to a ½" rebar set with a cap stamped "S. Wheeler RPLS 16165", thence continuing along said curve, a chord that bears South 81 degrees 30 minutes 41 seconds West, a distance of 440.21 feet to a point at the Southeast corner of Parcel B and the Southwest corner of Parcel A, thence North 01 degrees 14 minutes 21 seconds East, along the East line of Parcel B, a distance of 327.20 feet to a rebar found with cap stamped "F. Wheeler RPLS 3385" at the Northeast corner of Parcel B, thence North 88 degrees 51 minutes 10 seconds West, along the North line of Parcel B, a distance of 499.04 feet to a rebar found with cap stamped "F. Wheeler RPLS 3385" for the point of beginning; thence continuing along the North line of Parcel B, North 88 degrees 51 minutes 10 seconds West, a distance of 247.04 feet to a rebar found with cap stamped "F. Wheeler RPLS 3385"; thence North 01 degrees 07 minutes 19 seconds East, a distance of 203.30 feet to a rebar found with cap stamped "F. Wheeler RPLS 3385", on the South right of way line of Shelby County Highway No. 42; thence along the South right of way line of said Highway 42, North 82 degrees 24 minutes 11 seconds East, a distance of 174.42 feet to a ½" rebar set with cap stamped "S. Wheeler RPLS 16165"; thence continuing along the South right of way line of said Highway 42, North 81 degrees 18 minutes 20 seconds East, a distance of 76.03 feet to a rebar found with cap stamped "F. Wheeler RPLS 3385"; thence South 01 degrees 11 minutes 19 seconds West, a distance of 242.77 feet to the point of beginning.

All situated in Shelby County, Alabama.

SUBJECT TO: i) taxes and assessments for the year 2002 and subsequent years; ii) transmission line permit to Alabama Power Company as recorded in Deed Book 104, page 543, in the Probate Office of Shelby County, Alabama; iii) right of way to Shelby County recorded in Deed Book 264, page 501; and iv) less and except any part of the subject property lying within a road right of way.

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