

AFFIDAVIT OF SUBORDINATION OF RIGHT OF FIRST REFUSAL

STATE OF ALABAMA)
COUNTY OF SHELBY)

RE: Lot 372, according to the Map of Highland Lakes, 3rd Sector, Phase IV, an Eddleman Community, as recorded in Map 23, Page 165, in the Probate Office of Shelby County, Alabama.

Whereas, the Undersigned Highland Lakes Development, Ltd., an Alabama limited partnership, being the grantor in that certain deed recorded in Instrument No. 20020624000294380 in the Probate Office of Shelby County, Alabama did retain a right of first refusal to repurchase the above described property.

Whereas, Highland Lakes Development, Ltd., the Grantee Oak Bluff Enterprises, Inc. has not constructed a residence and is in non-compliance with the terms set forth in that certain deed recorded in Instrument No. 20020624000294380 ; and Whereas, Oak Bluff Enterprises, Inc. desires to convey said Lot 372 to RMR Designer Homes, LLC (hereinafter referred to as "RMR"); and Whereas, Highland Lakes Development, Ltd. hereby consents to the conveyance of said Lot 372 provided that the right of first refusal remains in full force and effect as to RMR; further, Highland Lakes Development, Ltd. hereby agrees to subordinate its right of first refusal to repurchase the above described property to the lien of any mortgage to purchase the lot or to finance construction of a residence by RMR from an institutional mortgage lender or bank so that Oak Bluff Enterprises, Inc. can convey the above described Lot 372, to RMR.

Now Therefore, Highland Lakes Development, Ltd. hereby subordinates its right of first refusal to repurchase the above described Lot 372 to the lien of any mortgage to purchase the lot or to finance construction of a residence by RMR from of any institutional lender or bank and consents to the conveyance of said Lot 372 from Oak Bluff Enterprises, Inc. to RMR Designer Homes, LLC.

In Witness Whereof, the undersigned, Douglas D. Eddleman, as President of Eddleman Properties, Inc., has caused this subordination of its right of first refusal on this the 5th day of January, 2005.

Highland Lakes Development, Ltd.
by: Eddleman Properties, Inc.
Its General Partner

BY:


Douglas D. Eddleman
President

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County in said State hereby certify that Douglas D. Eddleman, whose name as President of Eddleman Properties, Inc., an Alabama Corporation, which is General Partner of Highland Lakes Development, Ltd., an Alabama Limited Partnership, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing conveyance, he, as such officer, and with full authority, executed the same voluntarily for and as the act of said Corporation acting in its capacity as general partner of said limited partnership.

Given under my hand and official seal of office this the 5th day of January, 2005.


NOTARY PUBLIC

My Commission expires: 6-1-2005

(Affix Seal)

The undersigned, RMR Designer Homes, LLC, joins in the execution of this affidavit of subordination to acknowledge that the conveyance of the deed from Oak Bluff Enterprises, Inc. to RMR Designer Homes, LLC shall be subject to the right of first refusal to repurchase contained in that certain deed recorded in Instrument No. No.20020624000294380 in the Probate Office of Shelby County, Alabama. Said Lot 372 is further subject to the terms and conditions of the Preferred Builder Agreement previously agree to and executed by RMR Designer Homes, LLC.

RMR Designer Homes, LLC

BY: Richard J. Sheriff, Sr. member
Richard J. Sheriff, Sr., Member

BY: Marie M. Sheriff member
Marie M. Sheriff, Member

STATE OF ALABAMA)
COUNTY OF SHELBY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Richard J. Sheriff, Sr. and Marie M. Sheriff whose names as members of RMR Designer Homes, LLC, an Alabama Limited Liability Company, are signed to the foregoing affidavit and who are known to me, acknowledged before me on this day that, being informed of the contents of the affidavit, they, as such members and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal this the 5th day of January, 2005.


Notary Public
CHRISTOPHER P. MOSELEY
MY COMMISSION EXPIRES 10/27/05
My Commission Expires

(Affix Seal)