20050504000212510 1/5	\$23.00
Shelby Cnty Judge of	Probate, AL
05/04/2005 08:52:49AM	FILED/CER

STATE OF ALABAMA	
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COUNTY OF SHELRY	`

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (this "Agreement") is made and entered into as of the 13th day of January, 2005 by and among HPH PROPERTIES, LLC, an Alabama limited liability company ("Borrower"), GREYSTONE BRANCH, LLC, an Alabama limited liability company ("Creditor"), and SOUTHTRUST BANK, an Alabama banking corporation (the "Bank").

RECITALS:

Creditor is the holder of that certain Purchase Money Mortgage (the "<u>Purchase Money Mortgage</u>") dated as of January 13, 2005 executed by Borrower in favor of Creditor which has been recorded as Instrument # 20050209000064520 in the Office of the Judge of Probate of Shelby County, Alabama (the "<u>Probate Office</u>").

Borrower has obtained from the Bank a loan in the principal amount of \$334,700.00 which is secured by a Mortgage and Security Agreement dated 1/13/05, 20 05 (the "Bank Mortgage") which has been recorded as Instrument in the Probate Office.

Pursuant to the terms and provisions of the Purchase Money Mortgage, Creditor has agreed to subordinate the lien of the Purchase Money Mortgage to the lien of the Bank Mortgage subject to the terms and conditions hereinafter set forth.

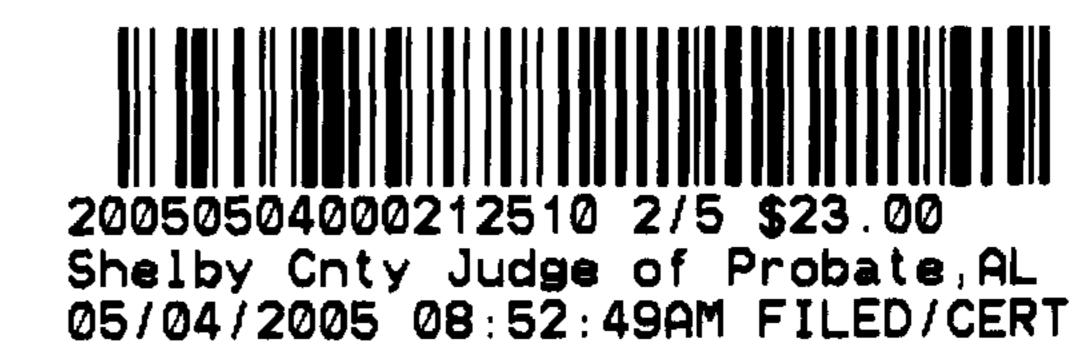
NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. <u>Subordination</u>. Creditor hereby agrees with the Bank that the lien of the Purchase Money Mortgage and all sums now or hereinafter owing to Creditor pursuant thereto are and shall be subject, subordinate and rendered junior in rights of payment, priority and in all other respects to the prior payment in full and priority of all obligations now existing or hereafter owing to the Bank pursuant to the Bank Mortgage including, without limitation, all amounts secured by the Bank Mortgage for the repayment of principal, interest, fees (including, without limitation, reasonable attorneys' fees and disbursements), expenses and protective advances (collectively, the "<u>Bank Loan Obligations</u>"); provided, however, that notwithstanding anything provided in this Agreement to the contrary, the maximum amount of the Bank Loan Obligations to which Creditor and its Purchase Money Mortgage shall be subordinated to hereunder shall not exceed Six Hundred Twenty-Four Thousand Dollars (\$624,000.00) (the "<u>Maximum Loan Amount</u>").

*329,600.00

1/13/05

20050209000064510



2. Payments Under Purchase Money Mortgage. Until the sale by Borrower of any portion of the real property encumbered by the Purchase Money Mortgage to an independent, third party purchaser in an arms-length transaction (a "Sales Event"), Creditor acknowledges and agrees that it will not be entitled to receive any payments due to it which may be secured by the Purchase Money Mortgage. Borrower and Creditor further acknowledge and agree that until the occurrence of a Sales Event, no payments shall be made by Borrower to Creditor under any underlying documents or agreements which are secured by the Purchase Money Mortgage. Creditor further agrees that, in the event of its receipt of any payment in violation of the foregoing terms and provisions, such payment will be received on behalf of and held in trust for the Bank and Creditor agrees to promptly pay over or deliver such payment to the Bank.

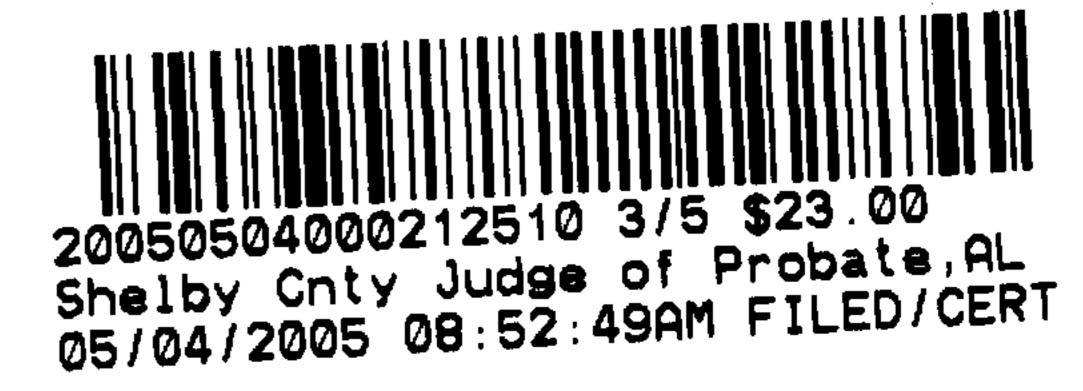
3. Amendments to Mortgage.

- (a) Without the prior written consent of the Bank, Borrower and Creditor agree that no amendment or modification shall be made to the Purchase Money Mortgage which (i) increases the principal amount secured thereby, (ii) alters the repayment terms thereof, (iii) alters the collateral encumbered by the Purchase Money Mortgage (other than partial releases contemplated by the Purchase Money Mortgage) or (iv) results in any material changes to the Purchase Money Mortgage that may adversely affect the Bank or the security interests of the Bank in the Bank Mortgage.
- (b) Without the prior written consent of Creditor, Borrower and the Bank agree that no amendment or modification shall be made to the Bank Mortgage which (i) increases the principal amount thereof in excess of the Maximum Loan Amount, (ii) alters the repayment terms thereof, (iii) alters the collateral encumbered by the Bank Mortgage (other than partial releases contemplated by the Bank Mortgage), or (iv) results in any other material changes to the Bank Mortgage that may adversely affect the Creditor or the Creditor's rights under the Purchase Money Mortgage.
- 4. <u>Term.</u> This Agreement shall remain in full force and effect until such time as the indebtedness owing by Borrower to Bank and secured by the Bank Mortgage has been paid in full.

5. Miscellaneous.

- (a) Any and all notices required or permitted to be given to the parties hereto shall be given to each of them in the manner set forth in the Purchase Money Mortgage and the Bank Mortgage, respectively.
- (b) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
- (c) This Agreement may be modified only by an agreement in writing signed by Borrower, Creditor and the Bank.

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(d) This Agreement shall constitute a continuing agreement of subordination and shall survive until the expiration of the term of this Agreement as provided above.

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

HPH PROPERTIES, LLC, an Alabama limited liability company

By: HPHB LLC, Its Sole Member

GREYSTONE BRANCH, LLC, an Alabama limited partnership

By: Daniel Realty Company, LLC, an Alabama limited liability company, Its Sole Member

By: Daniel Realty corporation, an Alabama corporation, Its Manager

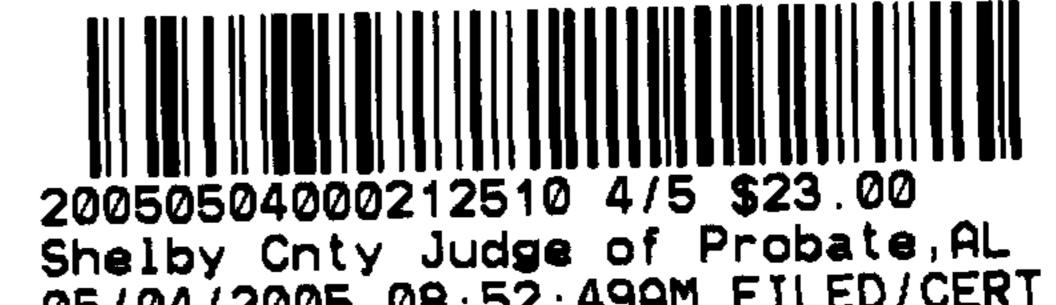
By: Se. Vice President

SOUTHTRUST BANK, an Alabama banking corporation

By:

Its:

1/1154406.1



I, the undersigned, a notary public in and for said county in said state, hereby certify that Albama limited liability company, as the sole member of HPH Properties, LLC, an Alabama limited biability company, 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 Manager and with full authority, executed the same voluntarily for and as the act of the aforesaid limited liability company. Given under my hand and official seal this Aday of Alabama, 2005. My commission expires: I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that John D. Company whose name as Solve Vice Resident Company of Daniel Realty Corporation, an Alabama corporation, as manager of Daniel Realty Company, 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 on the day the same bears date for and as the act of such corporation in its capacity as manager of Daniel Realty Company, LLC, as the sole member of Greystone Branch, LLC. Given under my hand and official seal this 13 day of January 1, 2005 Line Journal (Alay Of January 1, 2005)	STATE OF ALABAMA		05/04/2005 08:52:49AM FILED/C
LLC, an Alabama limited liability company, as the sole member of HPH Properties, LLC, an Alabama limited liability company, 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 Manager and with full authority, executed the same voluntarily for and as the act of the aforesaid limited liability company. Given under my hand and official seal this day of January, 2005. [NOTARIAL SEAL] My commission expires: I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that John D. Company whose name as Same Vice Presupery of Daniel Realty Corporation, an Alabama corporation, as manager of Daniel Realty Company, LLC, an Alabama limited liability company, 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 on the day the same bears date for and as the act of such corporation in its capacity as manager of Daniel Realty Company, LLC, as the sole member of Greystone Branch, LLC. Given under my hand and official seal this 13 TM day of January , 2005 Like January , 2005 Like January , 2005	SHELBY COUNTY	·)	
[NOTARIAL SEAL] My commission expires: JEFFERSON COUNTY I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that John D. Gunderson whose name as Sone Vice President of Daniel Realty Corporation, an Alabama corporation, as manager of Daniel Realty Company, LLC, an Alabama limited liability company, as the sole member of Greystone Branch, LLC, an Alabama limited liability company, 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 on the day the same bears date for and as the act of such corporation in its capacity as manager of Daniel Realty Company, LLC, as the sole member of Greystone Branch, LLC. Given under my hand and official seal this 13th day of January , 2005 Line John Notary Public	LLC, an Alabama limited li Alabama limited liability co me, acknowledged before me he, as such Manager and wit the aforesaid limited liability	iability company, as the sole member of impany, is signed to the foregoing instruction on this day that, being informed of the the full authority, executed the same volution company.	HPH Properties, LLC, an ment, and who is known to contents of said instrument, ntarily for and as the act of
STATE OF ALABAMA JEFFERSON COUNTY I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Joun D. Gunderson whose name as Source Vice Persident of Daniel Realty Corporation, an Alabama corporation, as manager of Daniel Realty Company, LLC, an Alabama limited liability company, as the sole member of Greystone Branch, LLC, an Alabama limited liability company, 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 on the day the same bears date for and as the act of such corporation in its capacity as manager of Daniel Realty Company, LLC, as the sole member of Greystone Branch, LLC. Given under my hand and official seal this 13 to January Notary Public	Given under i	my hand and official seal this _/5 _ da	y of January, 2005.
I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that	[NOTARIAL SEAL]	My commission expires:	y Public 5-07
certify that	STATE OF ALABAMA JEFFERSON COUNTY) :)	
Chris Tortrici Notary Public	Daniel Realty Corporation, LLC, an Alabama limited liability come, acknowledged before me he, as such officer and with bears date for and as the ac Company, LLC, as the sole respectively.	an Alabama corporation, as manager of ability company, as the sole member of of mpany, is signed to the foregoing instrume on this day that, being informed of the full authority, executed the same volunt of such corporation in its capacity as member of Greystone Branch, LLC.	f Daniel Realty Company, Greystone Branch, LLC, an ment, and who is known to contents of said instrument, starily on the day the same manager of Daniel Realty
Notary Public	Given under n	ny hand and official seal this 13" da	y of <u>Tanuary</u> , 2005
		Chris Tortorie	· <u> </u>
	[NOTARIAL SEAL]		

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STATE OF ALABAMA) 05/04/2005 08:52:49AM FILED
JEFFERSON COUNTY	;)
certify that $5+e^{3}$ SouthTrust Bank, an Alabar who is known to me, acknown	na banking corporation, is signed to the foregoing instrument, and vledged before me on this day that, being informed of the contents of officer and with full authority, executed the same voluntarily for and
Given under 2005.	my hand and official seal this 13th day of Joneson,
	Notary Public
[NOTARIAL SEAL]	My commission expires: 8-16-08

THIS INSTRUMENT PREPARED BY AND UPON RECORDING SHOULD BE RETURNED TO: Stephen R. Monk, Esq.
Bradley Arant Rose & White LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, Alabama 35203