

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (this “**Agreement**”) is made and entered into by **SERVISFIRST BANK**, an Alabama banking corporation (“**First Mortgagee**”), and **BANCORPSOUTH BANK**, a Mississippi banking corporation (the “**Construction Lender**”) as of the 17 day of April, 2017.

RECITALS:

A. Two Mountains, LLC, an Alabama limited liability company (the “**Mortgagor**”) executed and delivered that certain Mortgage, Assignment of Rents and Leases and Security Agreement (the “**First Mortgage**”), securing a Promissory Note in the original principal amount of \$4,500,000.00 (the “**Note**”) made payable to First Mortgagee, which First Mortgage was dated September 24, 2014, and was recorded on September 25, 2014, at Instrument No. 20150925000336910, in the Shelby County Probate Office, Alabama (the “**Probate Office**”) and a UCC Financing Statement (“**UCC Financing Statement**”) recorded on September 25, 2014, at Instrument No. 20150925000336920, in the Probate Office, and various other agreements, documents and instruments executed in connection with the First Mortgage (for convenience the prior Note, the First Mortgage, the UCC Financing Statement, and the other agreements, documents and instruments executed by the Mortgagor in favor of the First Mortgagee, are collectively referred to as the “**First Mortgage Loan Documents**”).

B. The property described in the First Mortgage has now been partially subdivided by plat recorded in Map Book 47, Pages 17A, 17B and 17C in the Probate Office.

C. The Mortgagor, of even date herewith, is deeding to Brogdon Development Group, LLC, an Alabama limited liability company (“**Brogdon**”), the following described property:

Lot 2, according to the Survey of Highlands, Phase 1, Sector 1, as recorded in Map Book 47, page 17A, 17B, and 17C in the Probate Office of Shelby County, Alabama;

TOGETHER WITH the nonexclusive easement to use of the Common Areas as more particularly described in the Amended and Restated Declaration of Protective Covenants and Agreement for The Highlands, filed for record in Instrument 2017031300084930, in the Probate Office of Shelby County, Alabama (which, together with all amendments thereto, are referred to as the “**Declaration**”).

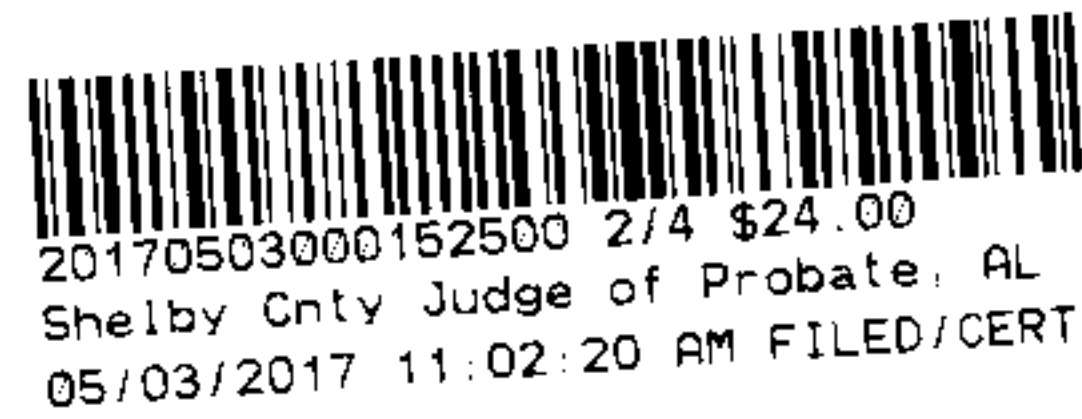
The foregoing property is herein called “**Lot 2.**”

D. Brogdon has obtained a construction loan from the Construction Lender in the amount of \$500,000.00 (the “**Construction Loan**”) for the construction of a single-family home on Lot 2. Brogdon has executed in favor of the Construction Lender, a Promissory Note in the amount of \$500,000.00, a Mortgage and Security Agreement executed or to be executed by Borrower (the “**Construction Mortgage**”), an Assignment of Rents and Leases, UCC-1 Financing Statements, and other agreements, documents, and instruments to be executed in connection with the Construction Loan (“**Construction Loan Documents**”). As a condition of the Construction Lender making the Construction Loan to Brogdon, the Construction Lender requires that the First Mortgagee subordinate its First Mortgage as to the Construction Loan on Lot 2, as well as the Construction Loan Documents.

E. The Construction Lender hereby agrees that this Subordination is limited to the Construction Loan in the amount of \$500,000.00 for Lot 2, and the Construction Lender hereby agrees to give the First Mortgagee written notice of any default by Brogdon in the Construction Loan Documents, and will give the First Mortgagee the right to cure such default or defaults for a period of thirty (30) days after receipt of the written notice of default. The First Mortgagee shall not have any obligation to cure any such default.

NOW, THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the First Mortgagee agrees and covenants that the First Mortgage is subordinate to the Construction Mortgage on Lot 2 in the amount of \$500,000.00, and the Construction Loan Documents as to Lot 2, and the First Mortgage shall be junior and subordinate to the Construction Mortgage on Lot 2, and Construction Loan Documents as to Lot 2.

[Signature page to follow]



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

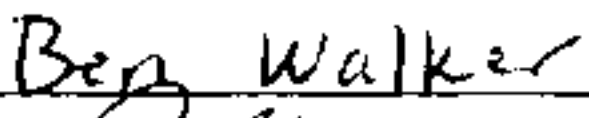
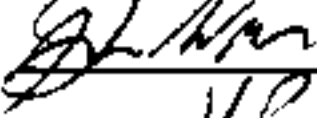
FIRST MORTGAGEE:

SERVISFIRST BANK, an Alabama
banking corporation

By: 
Name: S. William Hawkins
Title: First Vice President

CONSTRUCITON LENDER:

BANCORPSOUTH BANK, a
Mississippi banking corporation

By: 
Name: 
Title: VP



20170503000152500 3/4 \$24.00
Shelby Cnty Judge of Probate, AL
05/03/2017 11:02:20 AM FILED/CERT

STATE OF ALABAMA)
 :
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that S. William Hawkins whose name as First Vice President of ServisFirst Bank 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 the foregoing instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 13 day of April, 2017.


Notary Public
My Commission Expires:

[Notary Seal]



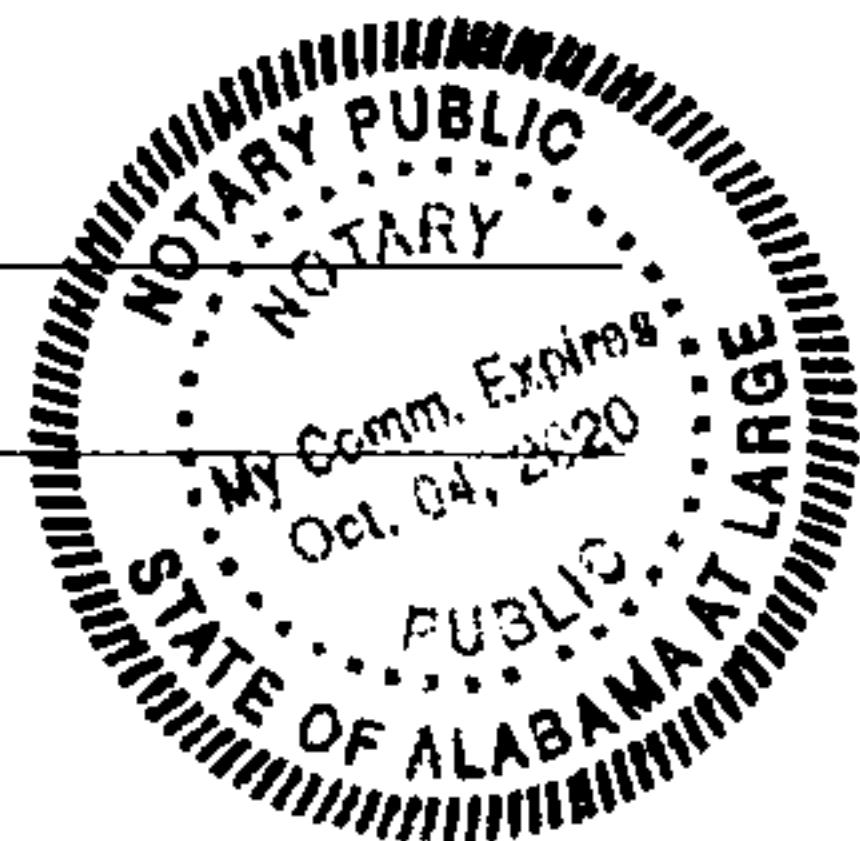
STATE OF ALABAMA)
 :
JEFFERSON COUNTY)


I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Ben Walker whose name as Vice President of BancorpSouth Bank 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 the foregoing instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 17 day of April, 2017.


Notary Public
My Commission Expires:

[Notary Seal]




20170503000152500 4/4 \$24.00
Shelby Cnty Judge of Probate. AL
05/03/2017 11:02:20 AM FILED/CERT