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07/09/2018 11:03:46 AM  
SUBAGREM 1/5

**THIS INSTRUMENT PREPARED BY:**

James E. Vann, Esquire  
Sirote & Permutt, P.C.  
2311 Highland Avenue South  
Birmingham, Alabama 35205

**STATE OF ALABAMA**

**COUNTY OF SHELBY**

**LEASE SUBORDINATION AGREEMENT**

**THIS LEASE SUBORDINATION AGREEMENT** (the "Agreement") is made and entered into by **Covenant Classical School Valleydale, LLC**, an Alabama limited liability company ("Tenant"), in favor of and for the benefit of **ServisFirst Bank** (the "Lender") as of the 6<sup>th</sup> day of July, 2018.

**WITNESSETH:**

**WHEREAS**, Lender has agreed to make loans (the "Loans") to Tenant, Valleydale CCS Development, LLC ("Landlord" and, together with Tenant, individually and collectively, the "Borrower"), and others, on the condition that, among other things, Tenant subordinate its leasehold interest under any and all lease agreements heretofore or hereafter entered into between Tenant as tenant and Landlord as landlord, including, without limitation, that certain Triple Net Commercial Lease Agreement dated on or about January 10, 2014 (collectively, the "Lease"), to all liens, encumbrances, security interests, rights, and remedies of the Lender under all agreements and documents (the "Loan Documents") relating to the Loans, including, without limitation, (i) that certain Senior Mortgage and Security Agreement (the "Senior Mortgage") granted or to be granted by Landlord and others in favor of the Lender to secure that certain Loan in the amount of \$3,000,000 dated on or about the date hereof, and (ii) that certain Junior Mortgage and Security Agreement (the "Junior Mortgage" and, together with the Senior Mortgage, individually and collectively, the "Mortgage") granted or to be granted by Landlord and others in favor of the Lender to secure that certain Loan in the amount of \$1,300,000 dated on or about the date hereof; and

**WHEREAS**, the Tenant has agreed to subordinate the Lease and all of its right, title, and interest in and to the Mortgaged Property (as such term is defined in the Mortgage, which specifically includes the property described in Exhibit A) to the liens, encumbrances, security interests, rights and remedies of the Lender.

**NOW, THEREFORE**, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce the Lender to make the Loan, the Tenant represents, warrants, covenants, and agrees as follows:

1. The Lease and all of the Tenant's right, title, and interest in the property described in Exhibit A and the other Mortgaged Property as defined in the Mortgage and all rights of Tenant under the Lease shall at all times be subject and subordinate in all respects to the Mortgage and to all liens, encumbrances, security interests, rights and remedies of the Lender under the Loan Documents, including, without limitation, liens, encumbrances, security interests, rights and remedies under the Mortgage, and to all renewals, replacements, consolidations, modifications, assignments, and extensions thereof. However, Tenant agrees that Lender shall have the right at any time to subordinate the Mortgage, or the lien thereof, to the Lease on such terms and subject to such conditions as Lender may deem appropriate.

2. If the interest of the Landlord shall be acquired by Lender or any other party who becomes the owner or holder of the Mortgage (including, without limitation, any assignee or transferee of the Mortgage) by reason of foreclosure of the Mortgage or for any other reason, then unless Lender or the holder of the Mortgage consents to a continuation of the Lease or subordinates the Mortgage to the Lease as provided in Section 1 above, then Tenant's rights under the Lease shall be extinguished and Tenant shall thereafter occupy the premises as a tenant-at-will.

3. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and each of their heirs, personal representatives, successors and assigns.

- Remainder of page intentionally left blank -

IN WITNESS WHEREOF, the Tenant has executed this Agreement as of the day and year first written above.

TENANT:

Covenant Classical School Valleydale, LLC

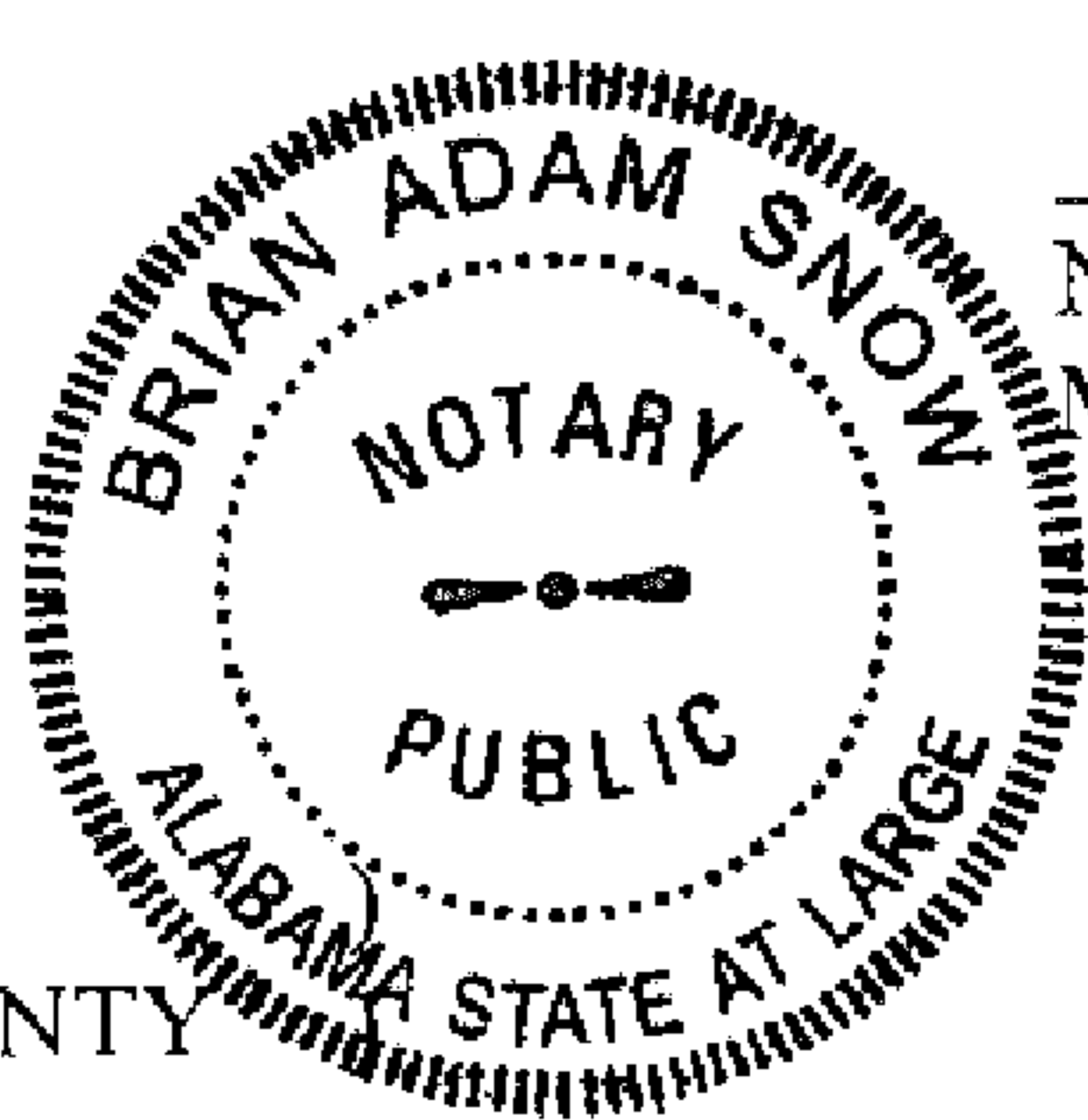
By: [Signature]  
Name: John LaBreche  
Title: Manager

By: [Signature]  
Name: Jesse Morson  
Title: Manager

STATE OF ALABAMA )  
Jefferson COUNTY )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that **John LaBreche**, whose name as a Manager of **Covenant Classical School Valleydale, 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 the instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand this 6<sup>th</sup> day of July, 2018.

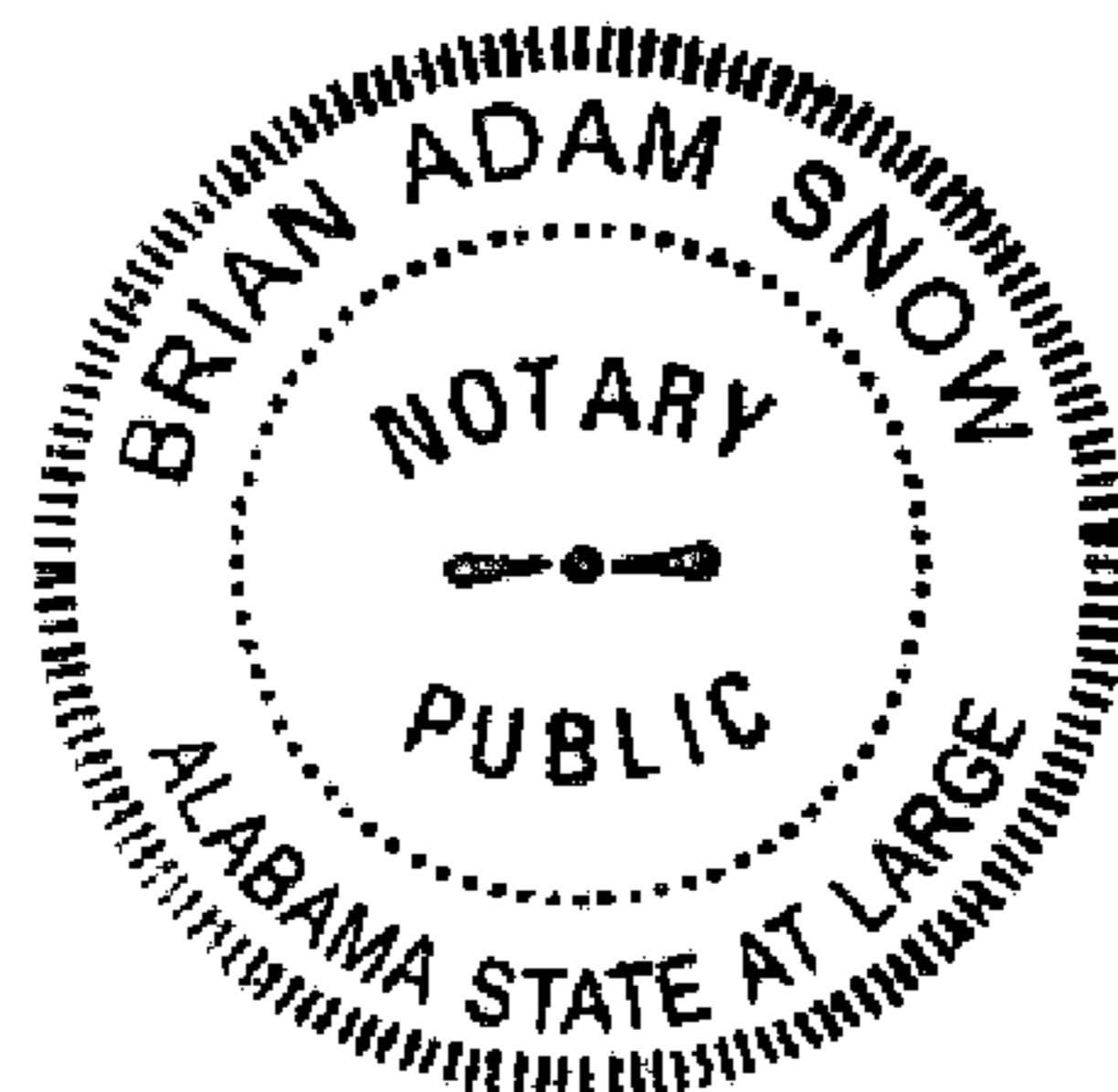


[Signature]  
Notary Public  
My Commission Expires: MY COMMISSION EXPIRES OCTOBER 11, 2021

STATE OF ALABAMA )  
Jefferson COUNTY )

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that **Jesse Morson**, whose name as a Manager of **Covenant Classical School Valleydale, 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 the instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand this 6<sup>th</sup> day of July, 2018.



[Signature]  
Notary Public  
My Commission Expires: MY COMMISSION EXPIRES OCTOBER 11, 2021

**EXHIBIT A**

**PARCEL I:**

Lot 5-A, according to the Resurvey of Lots 4, 5 and 6, Village on Valleydale at Southlake, as recorded in Map Book 13, Page 65, in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

**PARCEL II:**

Tract 1:

Part of the SW 1/4 of the SW 1/4 of Section 27, Township 19 South, Range 3 West, Jefferson County, Alabama, being more particularly described as follows:

From an existing iron pin being the locally excepted Northwest corner of said SW 1/4 of SW 1/4, run in an Easterly direction along the North line of said 1/4 1/4 Section for a distance of 367.10 feet to an existing iron rebar set by Laurence D. Weygand and being the point of beginning; thence continue in an Easterly direction along last mentioned course for a distance of 148.09 feet to an existing iron rebar set by Laurence D. Weygand and being on the West right of way line of Stadium Trace Parkway and being on a curve, said curve being concave in a Westerly direction and having a deflection angle of 0 deg. 25 min. 02.5 sec. and a radius of 591.59 feet; thence turn an angle to the right (95 deg. 42 min. 07 sec. to the chord of said curve) and run in a Southerly direction along the West right of way line of said Stadium Trace Parkway and along the arc of said curve for a distance of 8.62 feet to an existing iron rebar set by Laurence D. Weygand and being a point of compound curve, said newest curve being concave in a Northwesterly direction and a central angle of 93 deg. 48 min. 39 sec. and a radius of 25.0 feet; thence turn an angle to the right and run in a Southerly, Southwesterly and Westerly direction along the arc of said curve for a distance of 40.93 feet to the point of ending of said curve; thence run in a Westerly direction along the line tangent to the end of said curve for a distance of 119.62 feet to an existing iron rebar set by Laurence D. Weygand; thence turn an angle to the right of 78 deg. 41 min. 02 sec. and run in a Northerly direction for a distance of 9.91 feet, more or less, to the point of beginning; being situated in Jefferson County, Alabama.

Tract 2:

Part of Lot I, T. C. Limited Addition to Trace Crossing, Map Book 28 page 68, Bessemer Division, Jefferson County, Alabama.

Being a part of the NW 1/4 of the SW 1/4 of Section 27, Township 19 South, Range 3 West, Jefferson County, Alabama, being more particularly described as follows:

From an existing iron pin being the locally excepted Southwest corner of said NW 1/4 of SW 1/4 of said Section 27, run in an Easterly direction along the locally excepted South line of said 1/4 1/4 Section for a distance of 367.10 feet to an existing iron rebar set by Laurence D. Weygand and being the point of beginning; thence continue in an Easterly direction along last mentioned course for a distance of 148.09 feet to an existing iron rebar set by Laurence D. Weygand and being on the West right of way line of Stadium Trace Parkway and being on a curve, said curve being concave in a Westerly direction and having a deflection angle of 3 deg. 20 min. 7 sec. and a radius of 591.59 feet; thence turn an angle to the left (88 deg. 03 min. 03 sec. to the chord of said curve) and run in a Northerly direction along the West right of way line of Stadium Trace Parkway and along the arc of said curve for a distance of 68.87 feet to

the point of ending of said curve; thence run in a Northerly direction along the West right of way line of said Stadium Trace Parkway and along the line tangent to the end of said curve for a distance of 282.45 feet to an existing iron rebar; thence turn an angle to the left of 90 deg. and run in a Westerly direction for a distance of 152.05 feet to an existing iron rebar set by Laurence D. Weygand; thence turn an angle to the left of 90 deg. and run in a Southerly direction for a distance of 347.59 feet, more or less, to the point of beginning; being situated in Jefferson County, Alabama.

**Tract 3:**

A parcel of land situated in the W 1/2 of the SW 1/4 of Section 27, Township 19 South, Range 3 West, Jefferson County, Alabama and being more particularly described as follows:

Begin at the SW corner of Lot 1-D, Upton's Resurvey, as recorded in the Office of the Judge of Probate of Jefferson County, Alabama, Bessemer Division in Map Book 34, Page 57; thence run northerly along the West line of said lot 357.50' to the NW corner of said lot; thence turn an interior angle to the right of 90°00'00" and run westerly 335.83' to a point; thence turn an interior angle to the right of 90°03'13" and run southerly 149.39' to a point on the centerline of a 100' Alabama Power Company right of way; thence turn an interior angle to the right of 124°40'18" and run southeasterly along said right of way 254.42' to a point; thence turn an interior angle to the left of 165°54'54" and run southeasterly 51.96' to a point on the northerly right of way of Magnolia Trace, said point being on a curve to the right with a radius of 50.00' and an interior angle of 100°41'44"; thence along said curve 87.87' to a point on a curve to the left with a radius of 25.00' and an interior angle of 48°11'23"; thence along said curve 21.03' to the point of beginning.

ALSO KNOWN AS:

Lot 1-E, according to the Covenant Classical Resurvey, as recorded in Map Book 47, Page 47, in the Probate Office of Jefferson County, Alabama, Bessemer Division.

PARCEL III:

**Tract 1:**

Lot 1-A, Block 2, of the resubdivision of Lot 1, Block 1, and Lot 1, Block 2, of Exchange Center, Huntsville, Madison County, Alabama, as shown on the Plat recorded in Plat Book 21, Page 68, Probate records of Madison County, Alabama.

**Tract 2:**

Lot 1-B, Block 2, according to the Survey of Exchange Center, a resubdivision of Lot 1, Block 1, and Lot 1, Block 2, as recorded in Map Book 21, Page 68, in the Office of the Judge of Probate of Madison County, Alabama



Filed and Recorded  
Official Public Records  
Judge James W. Fuhrmeister, Probate Judge,  
County Clerk  
Shelby County, AL  
07/09/2018 11:03:46 AM  
\$27.00 CHERRY  
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