


This instrument was prepared by:

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600 University Park Place, Suite 100  
Birmingham, Alabama 35209

  
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Shelby Cnty Judge of Probate, AL  
09/17/2019 01:24:17 PM FILED/CERT

**NON-ENCUMBRANCE AND**  
**NEGATIVE PLEDGE AGREEMENT**

STATE OF ALABAMA     )  
COUNTY OF SHELBY    )

This Non-Encumbrance and Negative Pledge Agreement (the "Agreement") is made and entered into as of the 11<sup>th</sup> day of September, 2019 by The Church at Brook Hills (the "Borrower"), an Alabama non-profit corporation and SERVISFIRST BANK, an Alabama state banking corporation (the "Bank").

W I T N E S S E T H:

WHEREAS, the Bank has entered into or is contemporaneously herewith entering into a loan with Borrower in the principal amount of Nine Million and No/100 Dollars (\$9,000,000.00) plus interest (the "Indebtedness") as reflected in the Promissory Note by Borrower in favor of Bank executed simultaneously herewith (the "Loan").

WHEREAS, in order to induce the Bank to make the Loan, Borrower has agreed that it will not sell, pledge, assign or encumber certain real estate owned by Borrower known as 3145 Brook Highland Parkway, Birmingham, Alabama 35242 and described on the attached Exhibit "A" (the "Unencumbered Property").

NOW, THEREFORE, for and in consideration of the making the Loan, Borrower promises and covenants as set out herein, and other good and valuable consideration, the receipt and sufficient of which is hereby acknowledged, intending to be legally bound, hereby agree as follows:

1. The Borrower shall perform and comply with all provisions hereof, of the Promissory Note executed simultaneously herewith and of the loan documents executed in connection herewith (hereinafter "Loan Documents" and shall duly and punctually pay all Indebtedness secured hereby, whether presently existing or hereafter incurred, with interest thereon, and any and every extension, renewal and modification thereof, or of any part thereof, and all interest on all such extensions, renewals and modifications.

2. Borrower covenants with the Bank that it is lawfully seized in the fee simple in the Unencumbered Property and has full power and right to enter into this agreement; that the Unencumbered Property is free of all encumbrances, that the Borrower quietly enjoys and possesses the same; and Borrower will warrant and forever defend the title to said Unencumbered Property against lawful claims of all persons.

3. In the event of any change in the present ownership of all or any part of the Unencumbered Property or any interest therein, either by affirmative action, by operation of law or otherwise, or in the event any encumbrance of the Unencumbered Property is created without the Bank's prior written approval, the Bank may, at its option, declare the Indebtedness due and payable in full.

4. Borrower will pay promptly, when and as due, and, if requested, will exhibit promptly to the Bank receipts for the payment of all taxes (if applicable), assessments, water rates, utility charges, dues, charges, fines, penalties, liens, costs and other expenses incurred and impositions of every nature whatsoever imposed, levied or assessed or to be imposed, levied, or assessed upon or against the Unencumbered Property or any part thereof, or upon the revenues, issues and profits of the Unencumbered Property or arising in respect to the use and possession thereof, or upon the interest of the Borrower in the Unencumbered Property, or any charge which, if unpaid, would become a lien or charge upon the Unencumbered Property. Such taxes, if applicable, liens, assessments and other charges shall not be permitted to become delinquent.

5. Borrower will constantly keep in force fire and extended coverage insurance policies with respect to any and buildings or equipment located on the Unencumbered Property. Such insurance will be provided in such a manner by such companies and for such amounts as may be required by the Bank. Borrower covenants to pay the premium on such policy or policies when due, to deliver to the Bank upon its request the official receipts for such premium payments upon request.

6. For so long as any amount due under the Loan remains outstanding and the Loan shall not have been paid in full, Borrower shall not, without first having obtained the written consent of Bank: (i) sell, assign, transfer, mortgage or convey all or any part of the Unencumbered Property; (ii) cause, suffer or allow any lien or other encumbrance to be placed on the Unencumbered Property; (iii) create any new debt, regardless of whether secured or unsecured, greater than \$250,000.00. Upon any sale approved by Bank, any and all proceeds shall be paid to Bank to apply to the Loan in addition to any other requirement of the Bank. Any attempted conveyance of all or part of the Unencumbered Property or any attempt to cause, suffer or allow any such lien or other encumbrance thereon without first having obtained the Bank's written consent shall be void and of no force and effect.

7. It shall be an event of default under the Loan for Borrower to, without first having obtained the written consent of Bank: (1) convey, transfer, assign, mortgage, or sell, or attempt to convey, transfer, assign or sell, all of any part of the Unencumbered Property, or (2) to pledge, hypothecate, encumber or otherwise place or allow the placement of a lien on the Unencumbered



Property as security for a loan or otherwise, or (3) incur any debt in the amount of \$250,000.00 or more, whether secured or unsecured.

8. Upon the occurrence of an event of default or at any time thereafter, the Bank, or other holder or holders of the Indebtedness evidenced by the Promissory Note and Loan Documents, shall have the option or right, without notice or demand, to declare all of said Indebtedness then remaining unpaid immediately due and payable., Upon such acceleration, the Borrower covenants to pay, in addition to all other amounts due, interest on the obligations unpaid until paid at the rate set forth in the Promissory Note.

9. This Agreement and the covenants and conditions set forth herein shall remain in effect until this Agreement is released in writing by the Bank.

10. This Agreement shall be binding upon and shall inure to the benefit of the undersigned parties and their respective heirs, personal representatives, executors, successors and assigns.

11. This Agreement and the rights and obligations of the parties hereto shall be governed by the law of the State of Alabama.

12. No amendment of this Agreement shall be effective unless in writing and signed by the parties hereto.

13. This Agreement and any exhibits or addenda attached hereto state the entire contract between the parties and merge in this Agreement all statements, representations, and covenants heretofore make, and any other contracts not incorporated herein are void and of no force and effect.

14. In case any one or more of the covenants, contracts, terms or provisions contained in this Agreement shall be invalid, illegal or uncomfortable in any respect, the validity of the remaining covenants, contracts, terms, or provisions contained herein shall be in no way affected, prejudiced or disturbed thereby.

15. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

16. Any notices or other communications required or permitted hereunder shall be sufficiently given if delivered personally or sent by overnight carrier as follows:

Bank: ServisFirst Bank  
2500 Woodcrest Place  
Birmingham, Alabama 35209  
Attention: Commercial Loan Department, Nick Petelos

cc: Jason E. Gilmore, Esquire  
Gordon, Dana & Gilmore, LLC  
600 University Park Place, Suite 100  
Birmingham, Alabama 35209

Borrower: The Church at Brook Hills  
3145 Brook Highland Parkway  
Birmingham, Alabama 35242  
Attention: Donnie Arrant, Pastor of Administration

Such notice shall be deemed given and shall be effective upon personal delivery or placed into the hands of an overnight professional courier, all charges prepaid, addressed to the addresses set out above or to such other address as either party may have given to the other in writing.

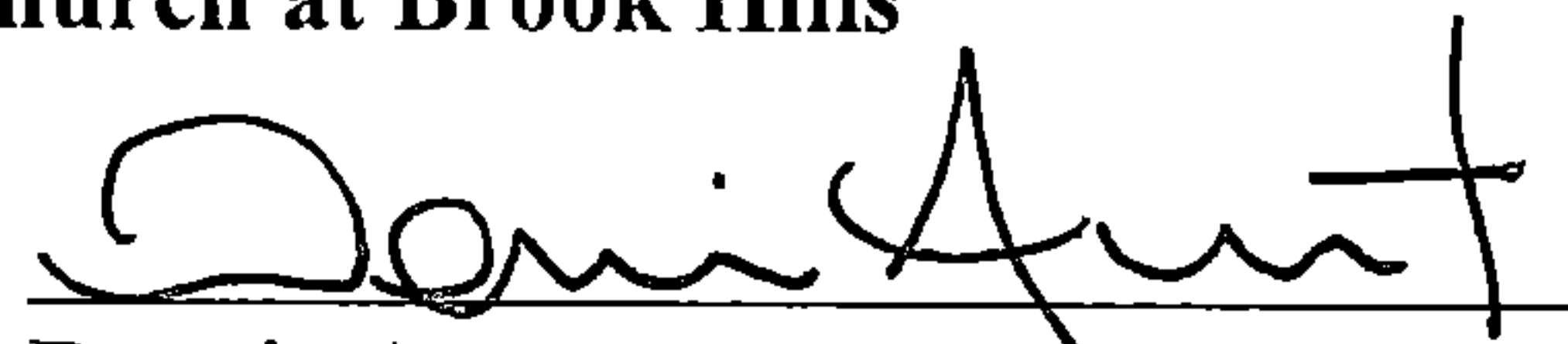
17. The unenforceability or invalidity of any provision or provisions of this Agreement shall not render any other provision or provisions herein contained unenforceable or invalid. All right or remedies of the Bank hereunder are cumulative and not alternative, and are in addition to those provided by law.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the date first set forth above.

BORROWER:

**The Church at Brook Hills**

By:



Donnie Arrant

Pastor of Administration

BANK:

**ServisFirst Bank**

By:



Nick Petelos

First Vice President

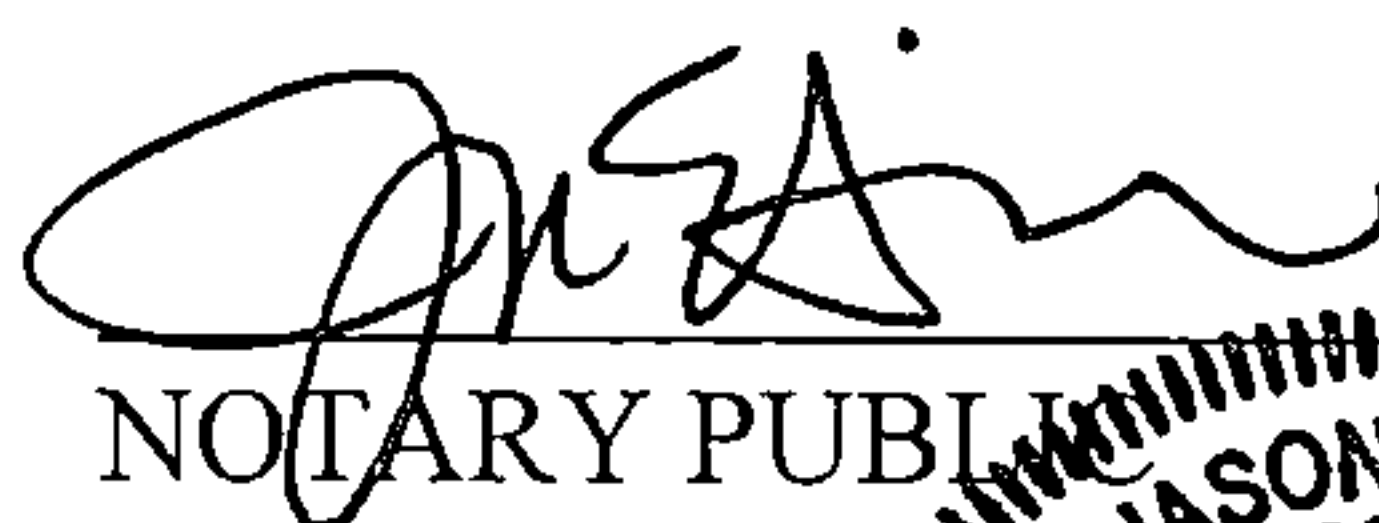
*(Acknowledgements on following page)*



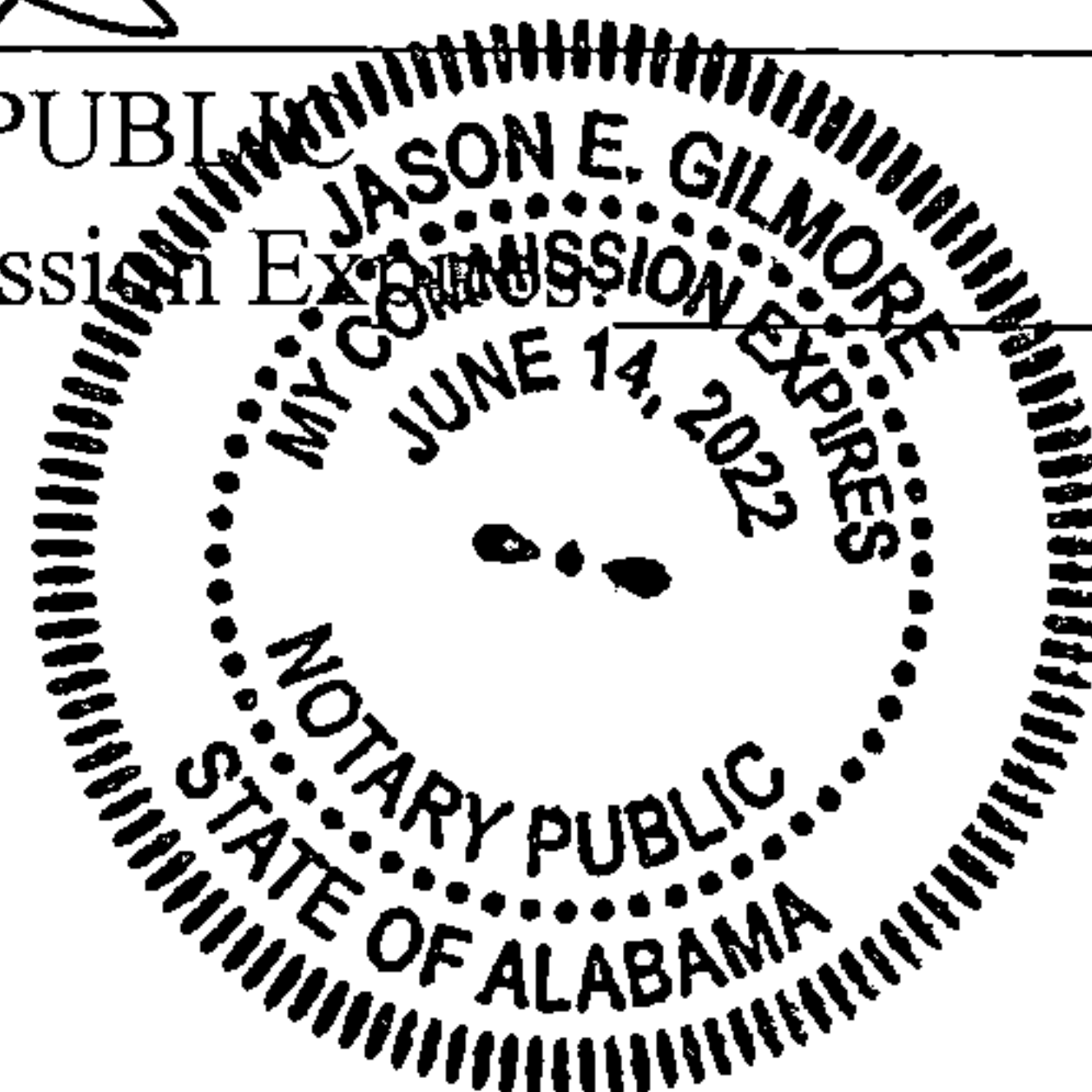
STATE OF ALABAMA     )  
COUNTY OF JEFFERSON    )

I, the undersigned Notary Public in and for said County, in said State, hereby certify that Donnie Arrant, as Pastor of Administration of The Church at Brook Hills, an Alabama non-profit corporation, whose name is signed to the foregoing and who is known to me, acknowledged before me on this day that, being informed of the contents of the foregoing Instrument, he, in said capacity and with full authority, executed the same voluntarily for and as the act of said corporation.

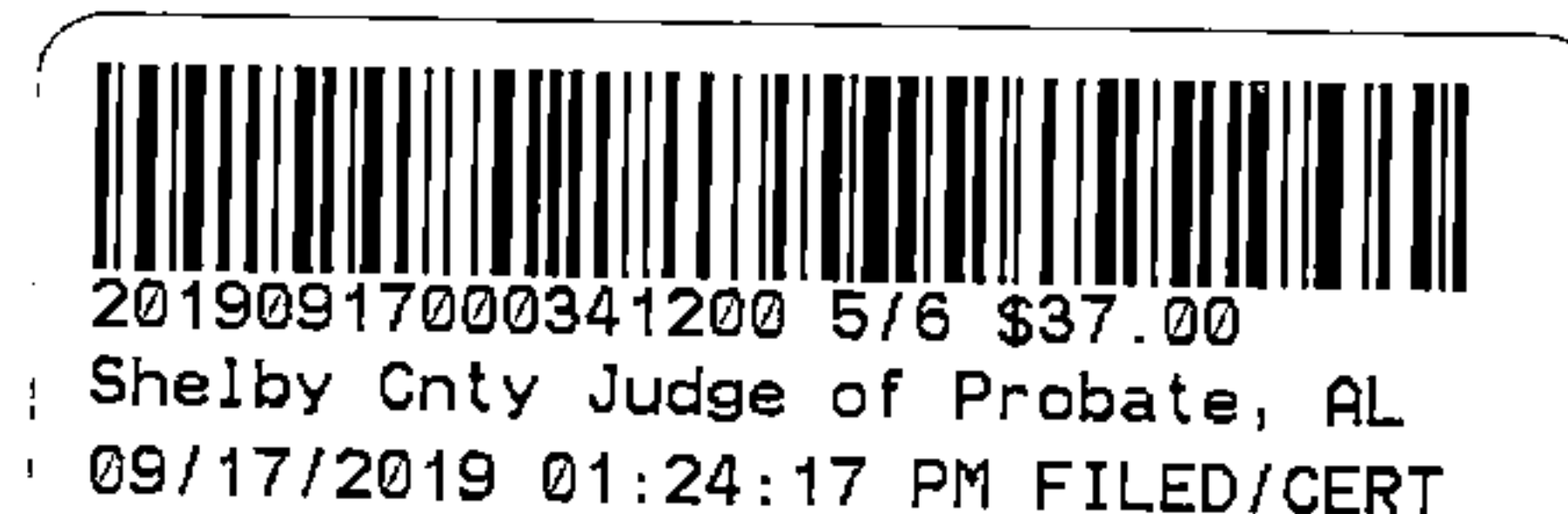
Given under my hand and official seal this 11<sup>th</sup> day of September, 2019.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires \_\_\_\_\_



STATE OF ALABAMA     )  
JEFFERSON COUNTY     )

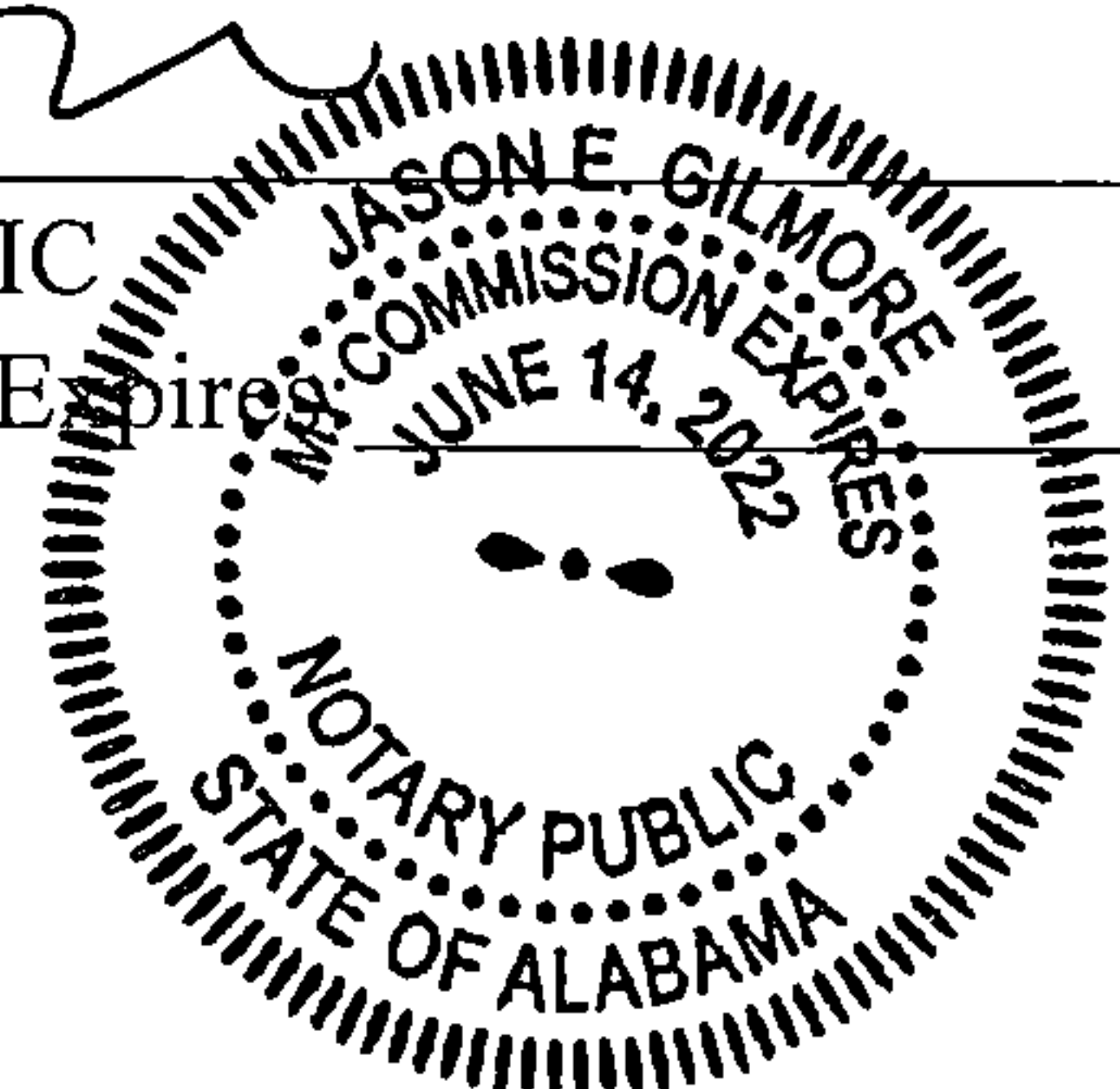


I, the undersigned, a notary public in and for said county in said state, hereby certify that Nick Petelos, whose name as First Vice President of SERVISFIRST BANK, an Alabama state banking corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said banking corporation.

Given under my hand and official seal this 11<sup>th</sup> day of September, 2019.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires \_\_\_\_\_





**Exhibit A**  
**Legal Description**

**PARCEL I:**

Lot 1, according to the Survey of Brook Highland Commercial I, as recorded in Map Book 16, page 73, in the Probate Office of Shelby County, Alabama.

**PARCEL II:**

Lot 2-A, according to a Resurvey of Brook Highland Commercial Resurvey No. 2, as recorded in Map Book 23, page 90, in the Probate Office of Shelby County, Alabama.

**PARCEL III:**

All of that portion of the below described property lying West of Alabama Highway 119:

Tract No. 1, according to the Map of D. N. Lee Estates as per Map recorded in Map Book 3, page 115 in the Probate Office of Shelby County, Alabama, except that part conveyed to Ann Little Lee by deed dated October 11, 1951, recorded in Deed Book 148, page 470 in the Probate Office of Shelby County, Alabama, described as follows:

A strip of land of the uniform width of 80 feet, evenly off the North side of tract Numbered 1, in the Survey of D. N. Lee Estate, made by W. R. Walker Surveyor on August 2, 1951 and which will be filed for record in the Probate Office of Shelby County, Alabama, also all of a triangular part of said Tract Numbered 1 which lies East of Valley Road as shown on map and North of the South line of Tract numbered 2-A, if extended in the same course and Northwesterly to the said Valley Road, situated in the Southeast 1/4 of Southwest 1/4 of Section 29, Township 18 South, Range 1 West, Shelby County, Alabama. Situated in Shelby County, Alabama.



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