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SUBAGREM 1/7

*This Instrument Prepared By,  
and After Recording Return To:*

William C. Byrd, II  
Bradley Arant Boult Cummings LLP  
1819 Fifth Avenue North  
Birmingham, Alabama 35203  
(205) 521-8262

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### **SUBORDINATION AGREEMENT**

This SUBORDINATION AGREEMENT (the "Agreement") is entered into as of September 8, 2022, by and among **SERVISFIRST BANK**, an Alabama banking corporation ("Lender"), **THE VILLAGE AT HIGHLAND LAKES, LTD.**, an Alabama limited partnership ("Existing Lienholder") and **EDDLEMAN RESIDENTIAL, LLC**, an Alabama limited liability company (the "Borrower").

**WHEREAS**, Borrower has obtained financing from Lender in the amount of \$2,587,500.00 (the "Loan") and has secured such loan from Lender by granting Lender a security interest in all the collateral listed in that certain Mortgage and Security Agreement dated of even date herewith from Borrower in favor of Lender to be recorded in the Office of the Judge of Probate of Shelby County, Alabama (the "Collateral"), which includes, without limitation, that certain real property located in Shelby County, Alabama more particularly described on Exhibit A hereto;

**WHEREAS**, as evidenced by that certain Mortgage and Security Agreement dated December 29, 2009 and recorded on January 4, 2010 in the Office of the Judge of Probate of Shelby County, Alabama as Instrument No. 20100104000001110, Existing Lienholder has a security interest in certain real property and other assets of the Borrower which also comprise a portion of the Collateral;

**WHEREAS**, Lender has provided the Loan to Borrower on the express condition that Existing Lienholder subordinates to Lender any and all interest which it may presently have or may hereafter acquire in and to the Collateral and the proceeds thereof, subject to the terms hereof; and

**WHEREAS**, Existing Lienholder is willing to subordinate the priority of its security interest in the Collateral in accordance with the terms of this Agreement.

**NOW, THEREFORE**, for ten dollars (\$10.00) in hand paid by Lender to Existing Lienholder, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Except as provided herein, Existing Lienholder hereby expressly and unconditionally subordinates and makes junior in all respects to Lender any and all right, title and security interest which Existing Lienholder may presently hereafter acquire from Borrower in and to the Collateral, all accessions thereto and all proceeds thereof. Such subordination shall be effective regardless of the order or time of

perfection or the filing of any mortgages, UCC-1 Financing Statements or other documents affecting the Collateral or the proceeds thereof.

2. Lender has provided such financial accommodations to Borrower in reliance upon this Agreement and, except as provided herein, this Agreement shall constitute a continuing subordination by Existing Lienholder of its security interest in the Collateral for as long as the Borrower is indebted to Lender and/or Lender is committed to provide financial accommodations to Borrower with respect to the Collateral. The respective priorities of Lender and Existing Lienholder in the other assets of Borrower which are not covered by this Agreement shall be determined in accordance with the provisions of the Uniform Commercial Code and other applicable laws.

3. Existing Lienholder shall copy Lender on any notices or correspondence that Existing Lienholder sends to Borrower.

4. Any notice required herein or by applicable law shall be deemed properly given (a) when personally delivered (to the person or department if one is designated below), (b) as of the delivery date shown on the return receipt when sent by United States Mail, certified or registered, postage prepaid, return receipt requested, or (c) one day after the date sent by Federal Express or overnight United States Mail or other national overnight carrier, and addressed in each such case as set forth below:

*If to the Borrower:* Eddleman Residential, LLC  
2700 US Highway 280, Suite 425  
Birmingham, Alabama 35223

*If to the Existing Lienholder:* c/o Douglas D. Eddleman  
2700 US Highway 280, Suite 425  
Birmingham, Alabama 35223

*If to the Lender:* ServisFirst Bank  
2500 Woodcrest Place  
Birmingham, Alabama 35209

*With a copy to:* William C. Byrd, II, Esq.  
Bradley Arant Boult Cummings LLP  
1819 Fifth Avenue North  
Birmingham, Alabama 35203

Any party may by notice given as herein provided change its address to another single address.

5. To the extent allowed by applicable law, the Borrower, Existing Lienholder and Lender, after consulting or having had the opportunity to consult with counsel, each knowingly, voluntarily and intentionally waive irrevocably, the right to trial by jury with respect to any legal proceeding based hereon, or arising out of, under or in connection with this Agreement or any other Agreement executed or contemplated to be executed in conjunction with this Agreement, or any course of conduct or course of dealing in which the Lender and the Existing Lienholder and/or the Borrower are adverse parties. This provision is a material inducement for the Lender granting any financial accommodation to the Borrower.

6. The obligations of the persons comprising the Existing Lienholder hereunder shall be joint and several.


7. This Agreement shall be delivered and accepted in and shall be deemed to be a contract made under and governed by the internal laws of the State of Alabama, and for all purposes shall be construed in accordance with the laws of such State, without giving effect to the choice of law provisions of such State.

8. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by, unenforceable or invalid under any jurisdiction, such provision shall as to such jurisdiction, be severable and be ineffective to the extent of enforceability of such provision in any other jurisdiction.

[Signature pages follow.]

LENDER:

**SERVISFIRST BANK,**  
an Alabama banking corporation

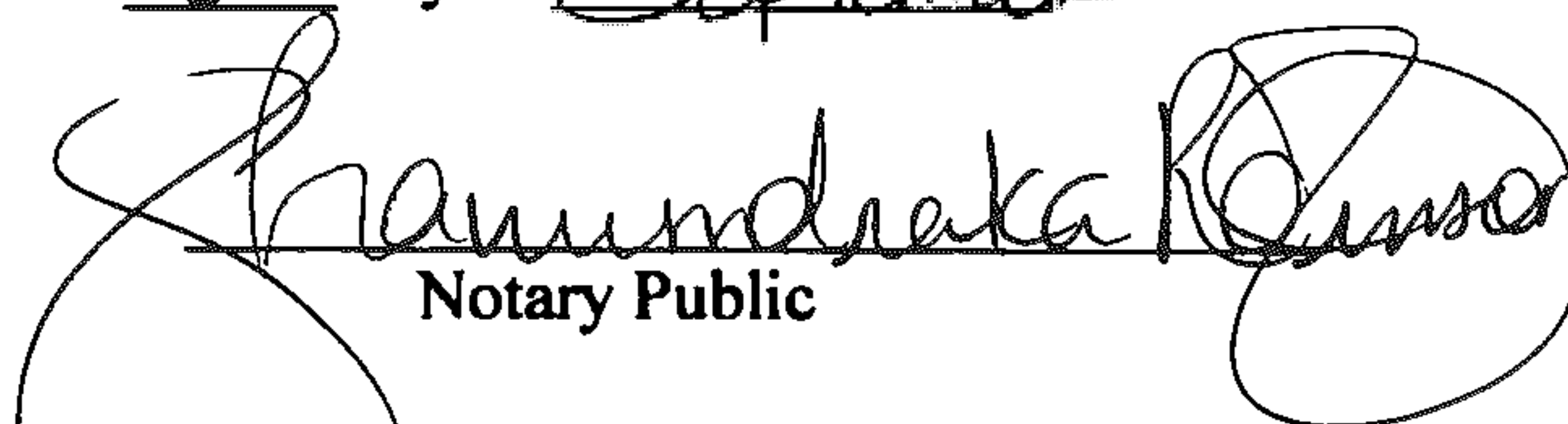
By:   
Name: Austin Clifton  
Its: Residential Construction Loan Officer

STATE OF ALABAMA )

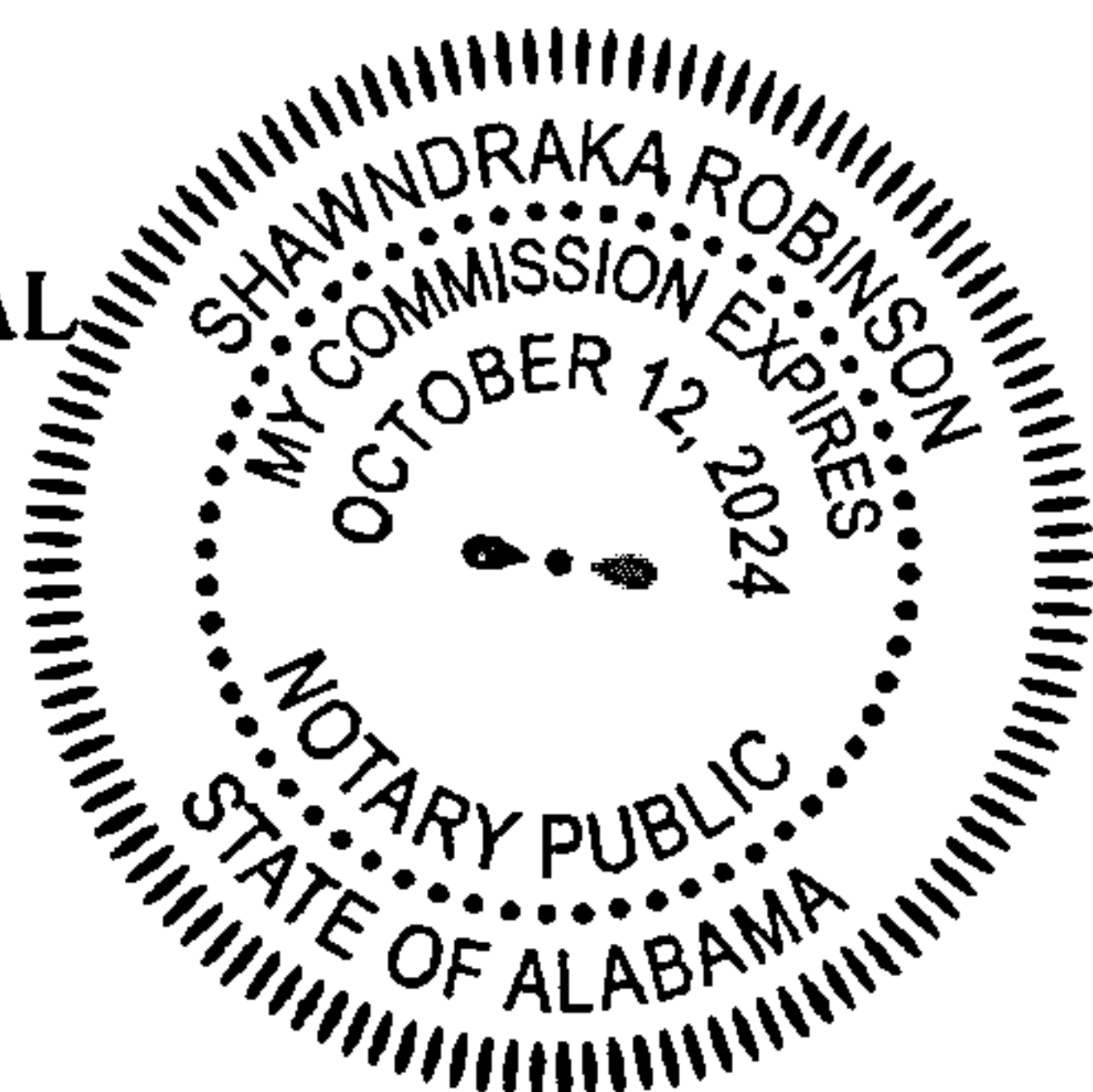
JEFFERSON COUNTY )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Austin Clifton, whose name as Residential Construction Loan Officer of ServisFirst Bank, an Alabama 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 this instrument, he/she, 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 the 8<sup>th</sup> day of September 2022.

  
Notary Public

AFFIX SEAL



My commission expires: 10/12/2024

EXISTING LIENHOLDER:

**THE VILLAGE AT HIGHLAND LAKES, LTD.,**  
an Alabama limited partnership

By: *Douglas D. Eddleman*

Name: Douglas D. Eddleman

Its: Managing Member

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 Managing Member of The Village at Highland Lakes, Ltd., an Alabama limited partnership, 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 this instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said limited partnership.

Given under my hand and official seal this the 8<sup>th</sup> day of September, 2022.

*[Signature]*  
Notary Public

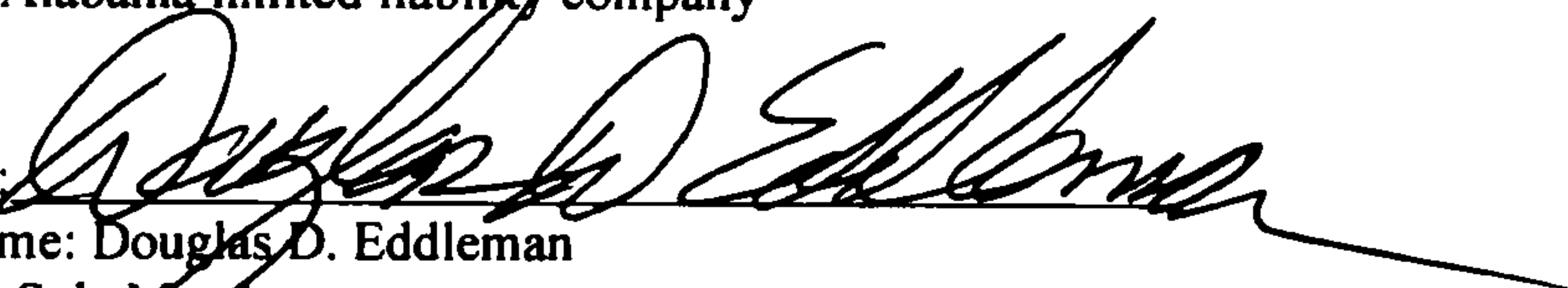
AFFIX SEAL



My commission expires: 6-2-2023

BORROWER:

**EDDLEMAN RESIDENTIAL, LLC,**  
an Alabama limited liability company

By:   
Name: Douglas D. Eddleman  
Its: Sole Member

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 Sole Member of Eddleman Residential, 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 this instrument, he/she, as such Sole Member 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 8<sup>th</sup> day of September, 2022.

  
Notary Public

AFFIX SEAL



My commission expires: 6-2-2023

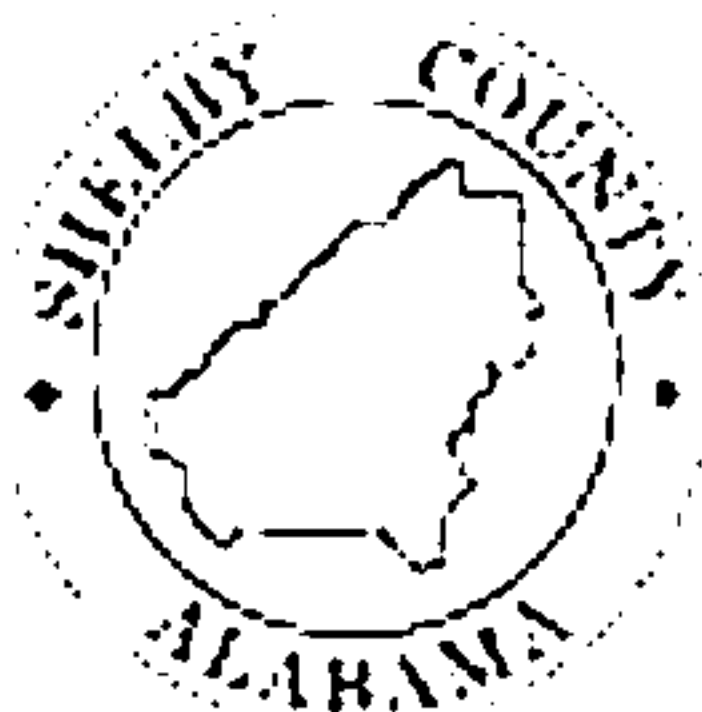
**Exhibit A**

The Land referred to herein below is situated in the County of Shelby, State of Alabama, and is described as follows:

The Village at Highland Lakes Phase 3, 1st and 2nd Sectors:

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 4 AND THE NORTH WEST QUARTER OF SECTION 3, TOWNSHIP 19 SOUTH, RANGE 1 WEST, SHELBY COUNTY ALABAMA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHEAST CORNER OF SECTION 4 AND RUN SOUTH 89 DEGREES 17 MINUTES 26 SECONDS WEST ALONG THE NORTH LINE OF SAID SECTION 4 FOR 188.47 FEET; THENCE RUN SOUTH 03 DEGREES 49 MINUTES 55 SECONDS WEST FOR 191.74 FEET TO A NON TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 480.00 FEET, A CHORD BEARING OF NORTH 88 DEGREES 02 MINUTES 57 SECONDS WEST, AND A CHORD LENGTH OF 31.51 FEET; THENCE RUN ALONG THE ARC OF SAID CURVE FOR 31.52 FEET; THENCE RUN SOUTH 00 DEGREES 04 MINUTES 11 SECONDS WEST FOR 60.00 FEET; THENCE RUN SOUTH 00 DEGREES 27 MINUTES 33 SECONDS WEST FOR 140.00 FEET; THENCE RUN SOUTH 83 DEGREES 46 MINUTES 52 SECONDS WEST FOR 59.41 FEET; THENCE RUN SOUTH 71 DEGREES 09 MINUTES 17 SECONDS WEST FOR 63.80 FEET; THENCE RUN SOUTH 28 DEGREES 57 MINUTES 28 SECONDS WEST FOR 203.22 FEET; THENCE RUN SOUTH 24 DEGREES 19 MINUTES 17 SECONDS WEST FOR 630.00 FEET; THENCE RUN SOUTH 65 DEGREES 40 MINUTES 43 SECONDS EAST FOR 200.00 FEET; THENCE RUN SOUTH 24 DEGREES 19 MINUTES 17 SECONDS WEST FOR 14.91 FEET; THENCE RUN SOUTH 65 DEGREES 40 MINUTES 43 SECONDS EAST FOR 160.54 FEET; THENCE RUN NORTH 53 DEGREES 15 MINUTES 08 SECONDS EAST FOR 181.17 FEET; THENCE RUN NORTH 45 DEGREES 17 MINUTES 31 SECONDS EAST FOR 129.39 FEET; THENCE RUN NORTH 26 DEGREES 38 MINUTES 15 SECONDS EAST FOR 522.25 FEET; THENCE RUN SOUTH 55 DEGREES 15 MINUTES 38 SECONDS EAST FOR 199.10 FEET; THENCE RUN SOUTH 50 DEGREES 47 MINUTES 36 SECONDS EAST FOR 167.00 FEET; THENCE RUN SOUTH 31 DEGREES 22 MINUTES 48 SECONDS EAST FOR 93.44 FEET; THENCE RUN SOUTH 62 DEGREES 43 MINUTES 49 SECONDS EAST FOR 199.60 FEET; THENCE RUN NORTH 21 DEGREES 00 MINUTES 34 SECONDS EAST FOR 176.33 FEET TO THE SOUTHWEST CORNER OF LOT 101, ACCORDING TO THE SECOND AMENDMENT TO THE AMENDED MAP OF THE VILLAGE AT HIGHLAND LAKES SECTOR ONE AN EDDLEMAN COMMUNITY, AS RECORDED AT THE PROBATE OFFICE OF SHELBY COUNTY ALABAMA IN MAP BOOK 38 PAGE 24-E; THENCE RUN ALONG SAID SUBDIVISION THE FOLLOW COURSES: NORTH 33 DEGREES 33 MINUTES 44 SECONDS EAST FOR 207.83 FEET; NORTH 56 DEGREES 26 MINUTES 16 SECONDS WEST FOR 38.96 FEET TO A CURVE TO THE LEFT, HAVING A RADIUS OF 341.62 FEET, A CHORD BEARING OF NORTH 63 DEGREES 05 MINUTES 30 SECONDS WEST, AND A CHORD LENGTH OF 79.17 FEET; THENCE RUN ALONG THE ARC OF SAID CURVE FOR 79.35 FEET; THENCE RUN NORTH 20 DEGREES 15 MINUTES 16 SECONDS EAST FOR 60.00 FEET; TO A NON TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 401.62 FEET, A CHORD BEARING OF NORTH 72 DEGREES 01 MINUTES 13 SECONDS WEST, AND A CHORD LENGTH OF 31.88 FEET; THENCE RUN ALONG THE ARC OF SAID CURVE FOR 31.89 FEET; THENCE LEAVING SAID AMENDED MAP RUN NORTH 74 DEGREES 17 MINUTES 43 SECONDS WEST FOR 92.57 FEET; THENCE RUN NORTH 28 DEGREES 31 MINUTES 04 SECONDS EAST FOR 661.96 FEET TO A POINT ON THE NORTH LINE OF SECTION 3; THENCE RUN SOUTH 89 DEGREES 20 MINUTES 02 SECONDS WEST ALONG SAID NORTH LINE FOR 894.02 FEET TO THE POINT OF BEGINNING.



Filed and Recorded  
Official Public Records  
Judge of Probate, Shelby County Alabama, County  
Clerk  
Shelby County, AL  
10/17/2022 03:49:04 PM  
\$40.00 JOANN7  
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*Allen S. Bayl*