WAKE COUNTY, NC 583
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
01/19/2006 AT 16:12:42

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PREPARED BY: James R. Rogers III

NORTH CAROLINA

WAKE COUNTY

THIS SUBORDINATION AGREEMENT, made this the 10th day of January, 2006, by and between Perry Brothers Development Co., Inc., a North Carolina corporation with its principal office and place of business in Wake County, North Carolina, parties of the first part and Southland Associates, Inc., TRUSTEE, of Wake County, North Carolina, party of the second part,, and Suntrust Bank, successor by merger to Central Carolina Bank, a North Carolina banking association organized and existing under the laws of the United States, having its principal office in North Carolina, parties of the third part;

W I T N E S S E T H:

Whereas, the party of the third part, has agreed to subordinate the lien of their deed of trust to Southland Associates, Inc., Trustee, on the property described in that certain deed of trust recorded in Book 11251, Page 2782, Wake County Registry;

Whereas, the deed of trust on said premises bearing date of March 4, 2005 executed by Perry Brothers Development Co., Inc. , to Southland Associates, Inc., Trustee for Suntrust Bank, successor by merger to Central Carolina Bank which instrument secures an original indebtedness therein described of $2,675,000.00, evidenced by a promissory note;

Now, therefore, in consideration of the aforesaid purpose of subordinating the lien of its loan to the terms and conditions of an easement recorded in Deed Book 11261, Page 415, Wake County Registry, from Perry Brothers Development Co., Inc. to Pepperwood Farms, L.L.C., a benefit which ensues to and is hereby acknowledged by Suntrust Bank, successor by merger to Central Carolina Bank, the parties of the third part, binding their successors and assigns, do by the execution of this instrument, subordinate the lien of the aforesaid deed of trust dated March 4, 2005, to Southland Associates, Inc., Trustee for Suntrust Bank, successor by merger to Central Carolina Bank, recorded in Book 11251 at page 2782 of the Wake County Public Registry, to those rights enumerated in that deed of easement, so that the aforesaid deed of easement shall be superior to

the lien and charge of that certain deed of trust to Southland Associates, Inc., Trustee for Suntrust Bank, successor by merger to Central Carolina Bank, recorded in Book 11251 at page 2782 of the Wake County Public Registry, and for no other purpose.

That except for the terms of this subordination agreement, the rights of the parties of the first part in and to the aforesaid recorded deed of trust in Book 11251 at page 2782 of the Wake County Public Registry and the note evidenced thereby are and shall be in full force and effect.

IN TESTIMONY WHEREOF, Southland Associates, Inc., Trustee, has hereunto set his hand and seal, and Suntrust Bank, successor by merger to Central Carolina Bank has caused this instrument to be executed in its name by its Senior Vice President by authority of its Board of Directors duly given, this the day and year first above written.

Suntrust Bank, successor by merger to
Central Carolina Bank

By: Sr. V. President

Southland Associates, Inc.

By: VICE President

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, Jackie Butcher, a Notary Public, certify that Rick Merrill personally came before me this day and acknowledged that he is SR. Vice President of SunTrust Bank, a corporation, and that he as Sr. Vice President, being authorized to do so, executed that foregoing on behalf of the corporation.

Witness my hand and official or seal, this the 10th day of January, 2006.

JACKIE BUTCHER NOTARY PUBLIC WAKE COUNTY, N.C.

Notary Public

My Commission Expires: My Commission Expires 3-21-2009.

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, Jackie Butcher, a Notary Public, certify that Wayne Gentry personally came before me this day and acknowledged that he is Vice President of Southland Associates, a corporation, and that he as Vice President, being authorized to do so, executed that foregoing on behalf of the corporation.

Witness my hand and official or seal, this the 10th day of January, 2006.

Jackie Butcher
Notary Public

JACKIE BUTCHER NOTARY PUBLIC WAKE COUNTY, N.C.

My Commission Expires: My Commission Expires 3-21-2009.