

December 20, 1972, recorded in Real Estate Mortgage Book 1263, page 493, in said Office of the R.M.C., and

WHEREAS, Poinsett Development Corporation has acquired the property subject to the said mortgage by deed recorded in Deed Book 986, Page 196, in the said Office of the R.M.C., and

WHEREAS, Poinsett Development Corporation and Phillips Hungerford desire to enter into this Subordination Agreement to clearly define the obligations of the parties under the said mortgage;

NOW, THEREFORE, in consideration of the mutual covenants and terms herein, Poinsett Development Corporation and Phillips Hungerford agree to and hereby do amend the mortgage so as to add thereto the following provision:

(1) This mortgage recorded in Real Estate Mortgage Book 812, page 459, as amended, shall be subordinate to and junior to lien to the mortgage given by Poinsett Development Corporation to the North Carolina National Bank securing Poinsett Development Corporation's note in the amount of \$850,000.00 dated October 11, 1973.

IN WITNESS WHEREOF, Poinsett Development Corporation and Phillips Hungerford have caused this instrument to be executed and delivered as required by law this 16th day of October, 1973.

Signed, sealed and delivered in the presence of:

POINSETT DEVELOPMENT CORPORATION

By Charles W. [Signature]

[Signature]
[Signature]

Attest Emily G. Stephenson

[Signature]
Phillips Hungerford