

SUBORDINATION AGREEMENT

STATE OF ALABAMA }
COUNTY OF SHELBY }

This Agreement made and entered into this 16th day of October, 2003 by and between **J. L. Jerman, Jr. and wife, Carol L. Jerman** (hereinafter collectively called Mortgagor), and **First National Bank of Shelby County** (hereinafter called Mortgagee).

W I T N E S S E T H

Whereas, the Mortgagor executed a Line of Credit and Mortgage to the Mortgagee, said Line of Credit being recorded in **Instrument Number 1998-37677 (Mortgage)**, in the Office of the Judge of Probate of Shelby County, Alabama, and conveyed the following described property:

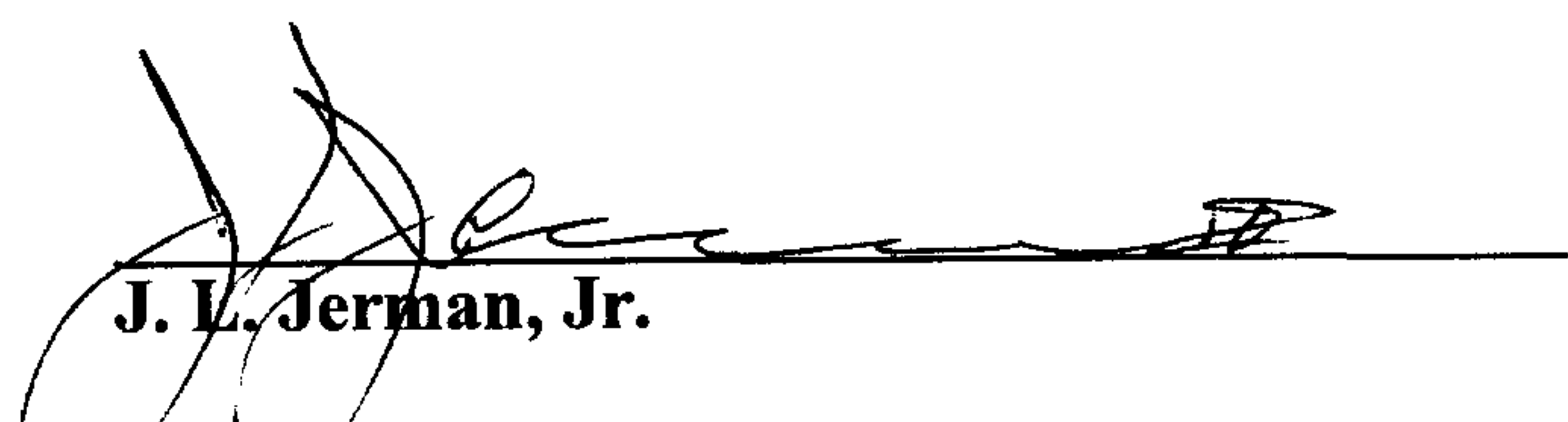
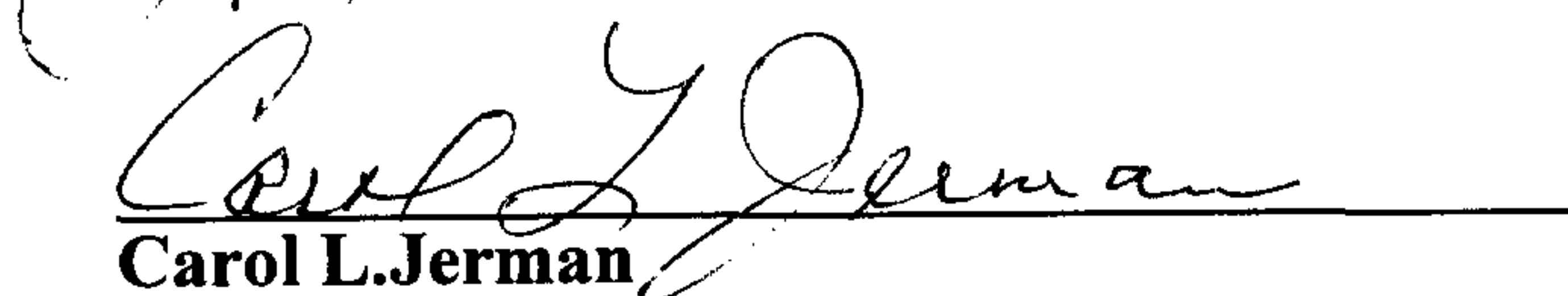
Tract 7, according to the Survey of Crossbrook Farms, Third Sector, a resurvey of Lots 1, 2, 3, 4, 5, 7 and 8, as recorded in Map Book 13 Page 148 in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama. Mineral and mining rights excepted.

Now, therefore, in consideration of the premises and other good and valuable consideration, the sufficiency is hereby acknowledged, the parties agree as follows:


The Mortgagee does hereby fully subordinate and does declare to be subordinate the lien of the aforesaid Line of Credit and mortgage to a mortgage executed to **Terrace Mortgage Company** recorded in **Instrument Number 20031023000711190** in the Office of the Judge of Probate of Shelby County, Alabama.

In Witness Whereof, the parties hereunto set their hand and seals as of this date and year stated above.

MORTGAGOR:


J. L. Jerman, Jr.

Carol L. Jerman

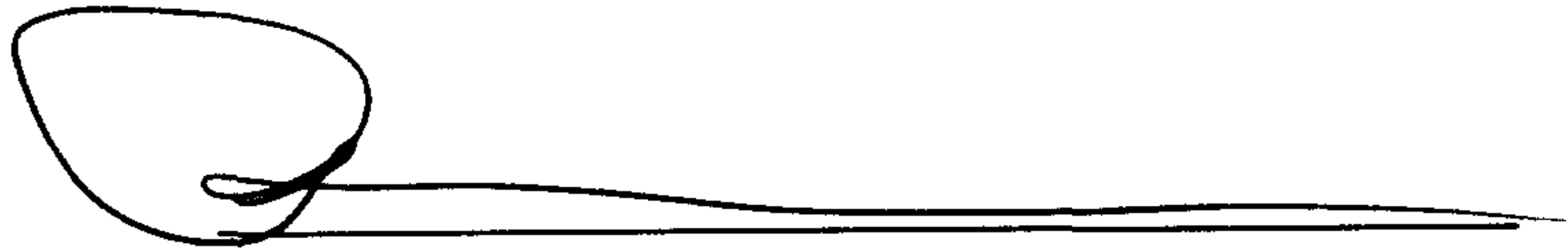
FIRST NATIONAL BANK OF SHELBY COUNTY

by 
William R. Justice
as its: **In-House Attorney**

STATE OF ALABAMA
COUNTY OF Shelby

I, the undersigned, a Notary Public, in and for said County in said State, hereby certify that J. L. Jerman, Jr. and Carol L. Jerman, husband and wife, whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 17 day of October, 2003..



Notary Public

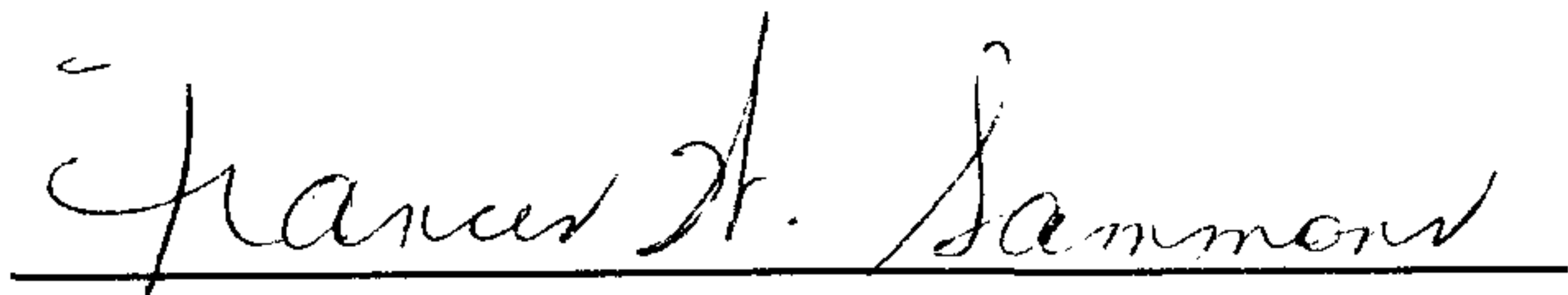
My Commission Expires: 2-20-07

PEGGY I. MANN
COMMISSION EXPIRES FEB. 20, 2007

STATE OF ALABAMA
COUNTY OF SHELBY

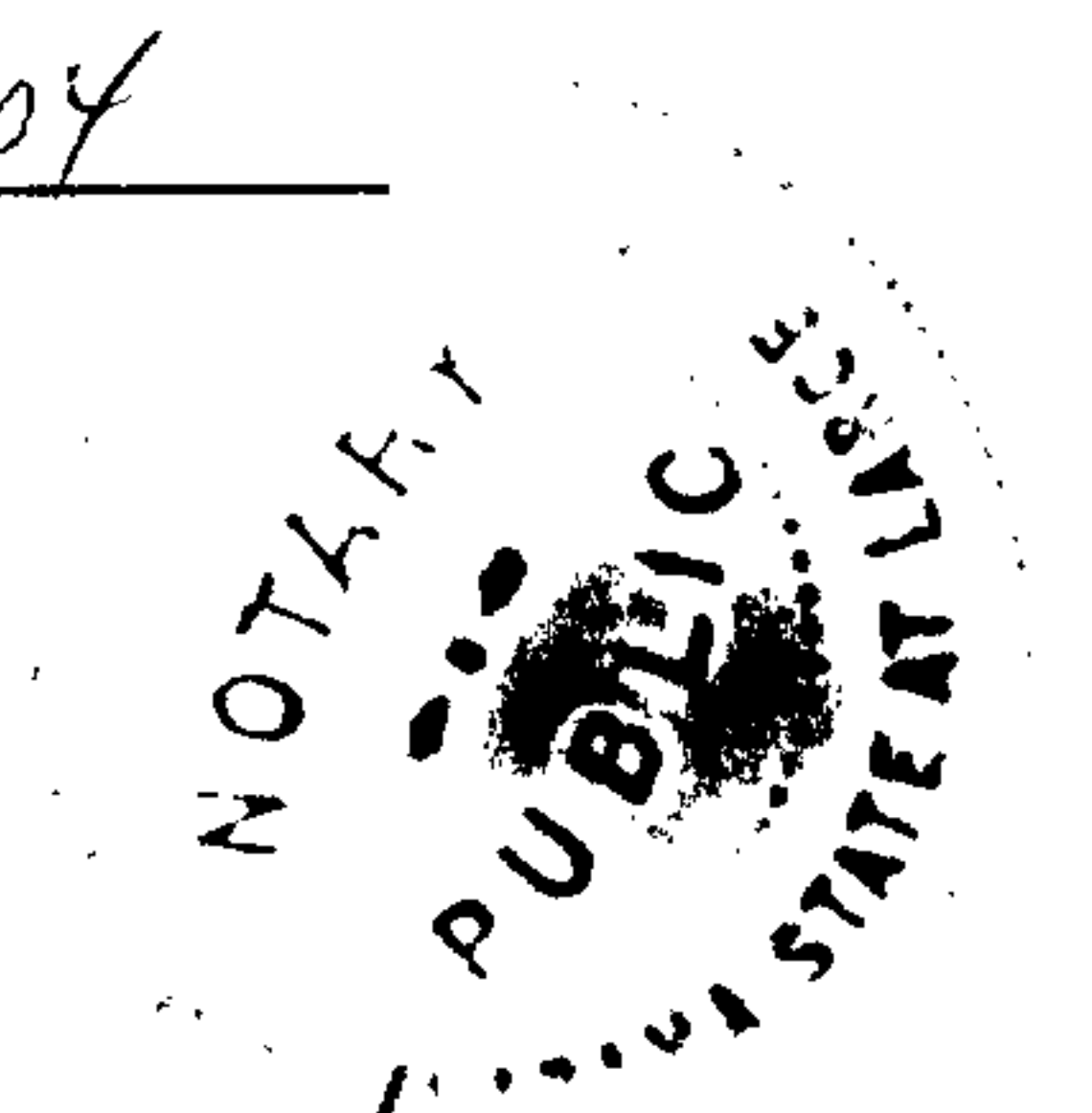
I, the undersigned, a Notary Public in and for said County in said State, hereby certify that William R. Justice, whose name as In-House Attorney for First National Bank of Shelby County, a corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he in his capacity as In-House Counsel and with full authority, executed the same voluntarily for and as the act of the corporation.

Given under my hand and seal of office on this 16th day of October, 2003.



Notary Public

My Commission Expires: 5-24-04



First National Bank of Shelby County
P. O. Box 977
Columbiana, AL 35051