

6319-M

STATE OF ALABAMA)
SHELBY COUNTY)

794

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT executed this 24 day of March, 1989, by and between THOMAS W. STUBBS, JR., and wife, LAJUANA SNOWDEN STUBBS (the "Mortgagees"), ROY T. PRESTON, M.D., and wife, MARGIE A. PRESTON (the "Mortgagors") and SOUTHTRUST BANK OF ALABAMA, NATIONAL ASSOCIATION (the "Lender").

RECITALS:

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A. On November 7, 1988, the Mortgagees executed a Warranty Deed in favor of Mortgagors by which title to a certain parcel of real property consisting of approximately one hundred and fifty-two (152) acres located in Shelby County, Alabama, was conveyed to the Mortgagors. In connection with and on even date with such conveyance, a Real Estate Mortgage Note in the principal amount of \$188,990.00 was executed by Mortgagors in favor of Mortgagees, which note was secured by a Mortgage (the "Mortgage") also executed by Mortgagors in favor of Mortgagees on even date with the conveyance. The Mortgage encumbers only approximately one hundred and twelve (112) of the one hundred and fifty-two (152) acres conveyed by Mortgagees to Mortgagors, and is recorded in Deed Book 213, at Page 217, in the office of the Judge of Probate of Shelby County, Alabama. The real property encumbered by the Mortgage is specifically described on Exhibit A hereto, and shall be referred to herein as the "Mortgaged Property."

BOOK

B. Mortgagors desire to construct a residential dwelling on a portion of the real property which they purchased from the Mortgagees, but which is not encumbered by the Mortgage. Such property is particularly described in Exhibit B hereto and shall be referred to herein as the "Unmortgaged Property." The Lender has agreed to finance the construction of such dwelling on the condition that Mortgagors execute a mortgage in favor of the Lender encumbering the Unmortgaged Property.

C. The Unmortgaged Property does not adjoin Shelby County Highway No. 52, and, as a result, it will be necessary for the driveway (the "Driveway Property") over which ingress to and egress from the Unmortgaged Property is made will be on, through and over the Mortgaged Property. The center-line of the Driveway Property is particularly described on Exhibit C hereto, and the actual Driveway Property, as the term is used herein, will consist of only the property which is ten (10) feet wide on both sides of the center-line described on Exhibit C.

D. The Lender has required, as a condition of extending the construction financing referred to above, that the Mortgagees subordinate the Mortgage to the mortgage to be executed by

Sand Title

Mortgagors in favor of Lender (the "Construction Mortgage"), but only to the extent that the Mortgage encumbers the Driveway Property. A survey which indicates the approximate locations of the Mortgaged Property, the Unmortgaged Property and the Driveway Property is attached hereto as Exhibit D.

E. Mortgagees have agreed to subordinate their rights under the Mortgage to the Construction Mortgage, but only on the terms and conditions expressly stated herein.

AGREEMENT:

1. Subordination of Mortgage. The Mortgage shall become, and henceforth shall be, subject, inferior and subordinate in lien, priority and distribution to the lien of the Construction Mortgage and to all advances heretofore made or which hereafter may be made and secured thereby; to any increases in the Construction Mortgage, whether made for the purpose of protecting or enforcing any of Lender's rights under the Construction Mortgage including, without limitation, the curing of any default in the performance of Mortgagee's covenants under the Construction Mortgage, to pay interest, costs, charges, real estate taxes or insurance premiums or for any other purpose; and to any extensions, renewals, modifications and replacements of the Construction Mortgage and substitutions therefor, all of which actions by Lender are specifically authorized by Mortgagees. It is specifically understood by all parties hereto that the only real property which is encumbered by both the Mortgage and the Construction Mortgage is the Driveway Property and that, therefore, the subordination granted herein only applies to and affects such property.

2. Continuing Effect. This Subordination Agreement is a continuous agreement and shall be and remain in full force and effect until such time as the Construction Mortgage is satisfied of record or the Lender specifically agrees to its termination in writing and the writing is filed in the office of the Probate Judge of Shelby County, Alabama.

3. Consideration. Mortgagees hereby acknowledge that simultaneously with the execution of this Subordination Agreement by Mortgagees, Mortgagors have paid and delivered to Mortgagees the amount of Ten and No/100 Dollars (\$10.00) as consideration for the subordination of the as specified herein.

4. Binding Effect of Mortgage. Mortgagors and the Lender acknowledge and agree that except for the provisions specifically contained herein, the Mortgage shall remain in full force and effect according to the terms and conditions contained therein and shall not be deemed to be otherwise amended in any respect whatsoever.

IN WITNESS WHEREOF, the Mortgagors and Mortgagees have each set their hands hereto and the Lender has caused its duly authorized officer to execute this Agreement on its behalf, all on and as of the day first written above.

Thomas W. Stubbs, Jr.
Thomas W. Stubbs, Jr.

Lajuana Snowden Stubbs
Lajuana Snowden Stubbs

Roy T. Preston M.D.
Roy T. Preston, M.D.

Margie A. Preston
Margie A. Preston

SOUTHTRUST BANK OF ALABAMA,
NATIONAL ASSOCIATION

By: Kenneth J. Sanderson
Its: Service President

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Thomas W. Stubbs, Jr., whose name 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 executed the same voluntarily on the day the same bears date.

Given under my hand this 21 day of March, 1989.

Jean S. McMillan
NOTARY PUBLIC

[SEAL]

My Commission Expires: 2/16/92

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that LaJuana Snowden Stubbs, whose name 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, she executed the same voluntarily on the day the same bears date.

Given under my hand this 21 day of March, 1989.

Joan L. McNeil
NOTARY PUBLIC

[SEAL]
My Commission Expires: 2/16/92

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STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Roy T. Preston, M.D., whose name 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 executed the same voluntarily on the day the same bears date.

Given under my hand this 22 day of March, 1989.

Donna Lynn Shaw
NOTARY PUBLIC

[SEAL]
My Commission Expires: 1/15/90

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Margie A. Preston, whose name 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, she executed the same voluntarily on the day the same bears date.

Given under my hand this 22nd day of March, 1989.

Donna Lynn Sheen
NOTARY PUBLIC

[SEAL]

My Commission Expires: 11-19-90

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Kenneth L. Sanders whose name as Dr. Vice President of SOUTHTRUST BANK OF ALABAMA, NATIONAL ASSOCIATION, 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, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this 24th day of March, 1989.

Nancy L. Pierce
NOTARY PUBLIC

[SEAL]

My Commission Expires: 4-25-91

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Commence at the Southwest corner of the NW 1/4 of the NW 1/4 of Section 4, Township 20 South, Range 1 East, Shelby County, Alabama, and run thence South 87 deg. 51 min. 31 sec. East along the South line of said 1/4 1/4 a distance of 454.34 feet to a point on the Easterly right of way line of Shelby County Road No. 55 and the point of beginning of the property being described; thence continue along last described course on the same bearing of South 87 deg. 51 min. 31 sec. East a distance of 880.29 feet to a point; thence run South 88 deg. 15 min. 07 sec. East a distance of 1,333.27 feet to a point; thence run South 88 deg. 41 min 14 sec. East a distance of 1,409.04 feet to an existing fence corner; thence run North 1 deg. 13 min. 57 sec. West a distance of 1,318.37 feet to an existing fence corner; thence run North 88 deg. 35 min. 15 sec. West along an existing fence line a distance of 1,338.54 feet to an existing fence corner; thence run North 1 deg. 23 min. 59 sec. East a distance of 1,332.77 feet to an existing fence corner; thence run North 87 deg. 20 min. 48 sec. West along an existing fence line a distance of 1,195.77 feet to a point on the same said Easterly right of way line of same said Shelby County Road No. 55, in a curve to the right having a central angle of 2 deg. 58 min. 54 sec. and a radius of 9,066.57 feet; thence run along the arc of said curve along the said right of way line of said road an arc distance of 471.82 feet to the P.T. (point of tangency) of said curve; thence run South 28 deg. 28 min 17 sec. West along said right of way line a distance of 336.40 feet to the P.C. (point of curvature, beginning of curve) of a curve to the right having a central angle of 3 deg. 07 min. 40 sec. and a radius of 5,534.14 feet; thence continue along the arc of said right of way curve an arc distance of 302.11 feet to the P.T. of said curve; thence run South 31 deg. 35 min. 56 sec. West a distance of 120.05 feet to the P.C. of a curve to the left having a central angle of 11 deg. 41 min. 23 sec. and a radius of 2,160.00 feet; thence continue along the arc of said right of way line curve an arc distance of 440.70 feet to the P.T. of said curve; thence run South 19 deg. 54 min. 34 sec. West along said right of way line a distance of 205.48 feet to the P.C. of a curve to right having a central angle of 4 deg. 17 min. 23 sec. and a radius of 3,175.00 feet; thence continue along the arc of said right of way line curve an arc distance of 237.71 feet to the P.R.C. (point of reverse curve) of a curve to the left having a central angle of 18 deg. 16 min. 24 sec. and a radius of 1,510.00 feet; thence continue along the arc of said right of way line curve an arc distance of 481.59 feet to the P.T. of said curve; thence run South 5 deg. 55 min. 33 sec. West a distance of 281.77 feet to the point of beginning; being situated in Shelby County, Alabama.
1/2 mineral and mining rights excepted.

LESS and EXCEPT all of that portion of the property described herein which is located in the NE 1/4 of the NW 1/4 of Section 4, Township 20 South, Range 1 East, consisting of 40 acres, more or less.

Commence at the Southwest corner of the Northwest Quarter of the Northwest Quarter of Section 4, Township 20 South, Range 1 East as per plat of survey dated October 24, 1988 by Joseph Conn, Jr. (Ala. Reg. #9049); run thence South 87 degrees 51 minutes 31 seconds East for 1334.6 feet; run thence South 88 degrees 15 minutes 07 seconds East for 765.91 feet; run thence North 1 degree 44 minutes 53 seconds East for 546.80 feet to the Point of Beginning; run thence North 58 degrees 32 minutes 20 seconds East for 400 feet; run thence North 31 degrees 27 minutes 40 seconds West for 550 feet; run thence South 58 degrees 32 minutes 20 seconds West for 400 feet; run thence South 31 degrees 27 minutes 40 seconds East for 550 feet to the Point of Beginning.

Said land being in the Northwest Quarter of Section 4, Township 20 South, Range 1 East of the Huntsville Principal Meridian, Shelby County, Alabama and containing 5.05 acres.

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EXHIBIT B

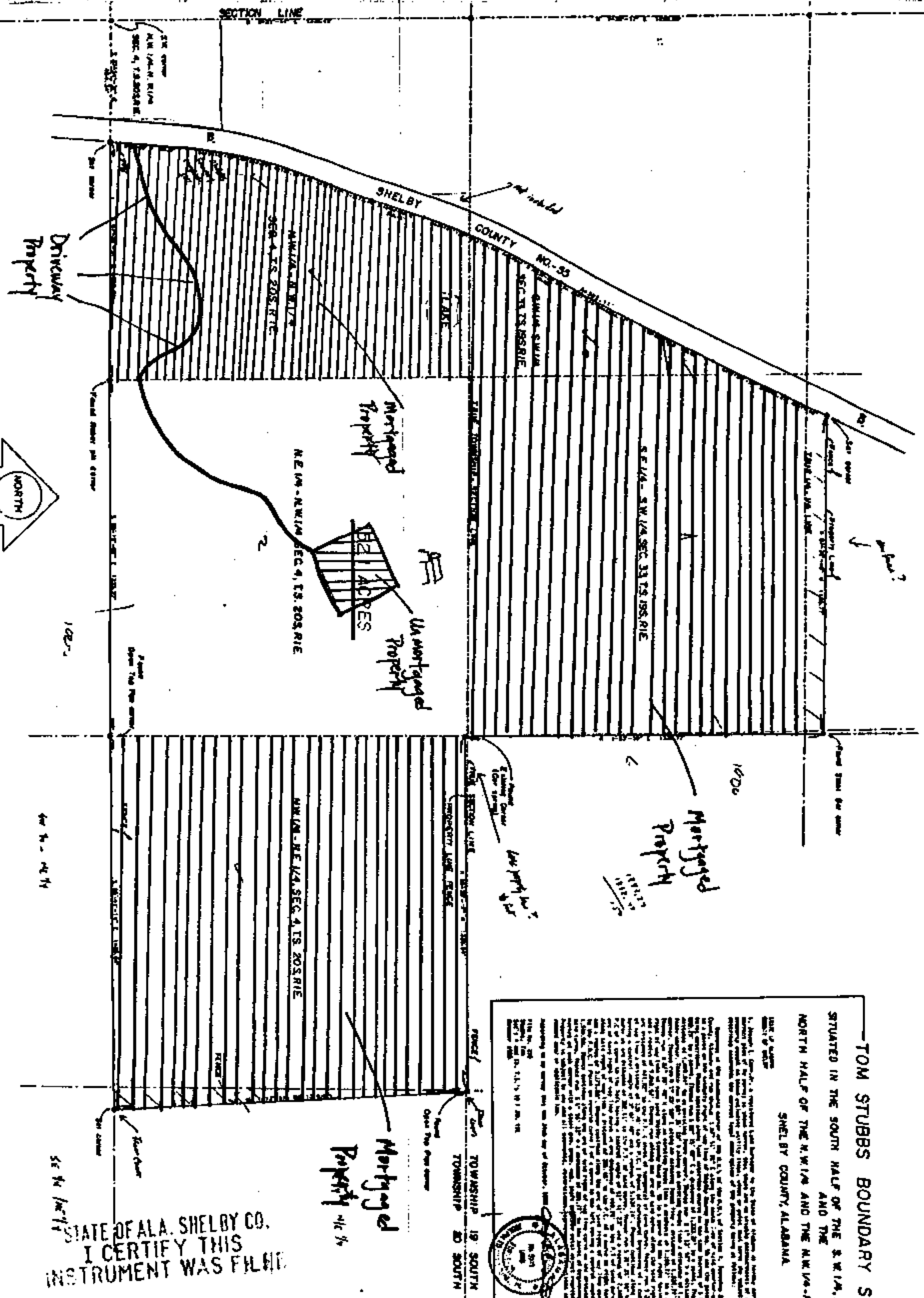
CENTERLINE DESCRIPTION FOR EASEMENT

Commence at the Southwest corner of the Northwest Quarter of the Northwest Quarter of Section 4, Township 20 South, Range 1 East as per plat of survey dated October 24, 1988 by Joseph Conn, Jr. (Ala. Reg. # 9049); run thence South 87 degrees 51 minutes 31 seconds East for 454.14 feet to a point on the centerline of Shelby County Road No. 55; run thence North 5 degrees 55 minutes 33 seconds West along said centerline for 80.23 feet to a Point of Intersection with the centerline of the described easement and being the Point of Beginning; run thence North 87 degrees 45 minutes 07 seconds East for 71.15 feet; run thence North 84 degrees 21 minutes 48 seconds East for 41.64 feet; run thence North 77 degrees 57 minutes 07 seconds East for 43.72 feet; run thence North 69 degrees 55 minutes 00 seconds East for 43.62 feet; run thence North 69 degrees 07 minutes 14 seconds East for 49.44 feet; run thence North 70 degrees 01 minutes 15 seconds East for 43.11 feet; run thence North 69 degrees 48 minutes 00 seconds East for 50.05 feet; run thence North 77 degrees 07 minutes 31 seconds East for 41.52 feet; run thence North 81 degrees 45 minutes 19 seconds East for 46.02 feet; run thence North 81 degrees 27 minutes 14 seconds East for 38.1 feet; run thence North 78 degrees 57 minutes 06 seconds East for 46.37 feet; run thence North 81 degrees 14 minutes 52 seconds East for 46.34 feet; run thence North 76 degrees 52 minutes 11 seconds East for 41.12 feet; run thence North 76 degrees 15 minutes 06 seconds East for 39.1 feet; run thence North 81 degrees 06 minutes 48 seconds East for 34.66 feet; run thence North 84 degrees 52 minutes 24 seconds East for 24.38 feet; run thence South 81 degrees 43 minutes 09 seconds East for 37.21 feet; run thence South 68 degrees 44 minutes 43 seconds East for 46.97 feet; run thence South 47 degrees 48 minutes 33 seconds East for 37.31 feet; run thence South 34 degrees 13 minutes 04 seconds East for 37.22 feet; run thence South 25 degrees 09 minutes 24 seconds East for 34.08 feet; run thence South 20 degrees 39 minutes 36 seconds East for 47.63 feet; run thence South 32 degrees 33 minutes 49 seconds East for 43.65 feet; run thence South 69 degrees 55 minutes 46 seconds East for 43.46 feet; run thence South 85 degrees 49 minutes 41 seconds East for 40.44 feet; run thence North 85 degrees 30 minutes 08 seconds East for 45.97 feet; run thence North 76 degrees 50 minutes 13 seconds East for 39.07 feet; run thence North 83 degrees 40 minutes 50 seconds East for 40.05 feet; run thence North 70 degrees 07 minutes 52 seconds East for 39.74 feet; run thence North 53 degrees 20 minutes 45 seconds East for 52.53 feet; run thence North 42 degrees 50 minutes 15 seconds East for 83.92 feet; run thence North 45 degrees 52 minutes 47 seconds East for 75.30 feet; run thence North 49 degrees 00 minutes 35 seconds East for 108.78 feet; run thence North 53 degrees 07 minutes 51 seconds East for 92.5 feet; run thence North 56 degrees 29 minutes 35 seconds East for 117.75 feet; run thence North 44 degrees 05 minutes 43 seconds East for 129.03 feet; run thence North 63 degrees 47 minutes 16 seconds East for 82.73 feet to the Point of Ending.

Said land being in the Northwest Quarter of Section 4, Township 20 South, Range 1 East of the Huntsville Principal Meridian, Shelby County, Alabama.

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SCALE 1" = 200'



STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED

89 APR 17 AM 11:01

Thomas A. Snowdon Jr.
JUDGE OF PROBATE

TOM STUBBS BOUNDARY SURVEY
SITUATED IN THE SOUTH HALF OF THE S.W. 1/4, SEC. 33, T.19S, R.1E,
AND THE
NORTH HALF OF THE N.W. 1/4 AND THE N.E. 1/4 - NE 1/4 SEC. 4, T.19S, R.1E,
SHELBY COUNTY, ALABAMA

RECORDING FEES

Recording Fee \$ 22.50
Index Fee 2.00
TOTAL 24.50

EXHIBIT D

SURVEYED BY
SURVCONN
ENGINEERING - SURVEYING CO.
PELHAM HALL, PELHAM, AL.
FOR INFORMATION CALL 663-4231

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