

THIS INSTRUMENT WAS PREPARED BY:

DOUGLAS L. KEY, ATTORNEY AT LAW

2100 11th Avenue North

Birmingham, Alabama 35234

STATE OF ALABAMA)

SHELBY COUNTY)

SUBORDINATION AGREEMENT

AGREEMENT made this 9th day of March, 19 93, between Union State Bank whose address is 3449 Lorna Road, City of Birmingham, County of Jefferson, State of Alabama, herein referred to as "mortgagee", and Collateral Mortgage, Ltd. whose address is 1900 Crestwood Blvd., City of Irondale, County of Jefferson, State of Alabama, herein referred to as "lender", and CHARLES N. GAULT and wife, ELIZABETH B. GAULT whose address is 2065 LAKEVIEW LANE, City of BIRMINGHAM, County of SHELBY, State of ALABAMA, herein referred to as "mortgagor".

The parties recite and declare that:

a. Mortgagee is the owner and holder of a certain mortgage note for \$ 50,000.00 and interest, secured by a certain mortgage for such sum and interest, made by CHARLES N. GAULT and wife, ELIZABETH B. GAULT, the mortgagor, to the mortgagee, which said mortgage was executed on Feb. 1, 19 91, and filed in the Office of the Judge of Probate of Shelby County, Alabama, in Real 329, page 356, covering the following described premises:

Lot 20, according to the survey of Valdawood, as recorded in Map Book 8, page 6 A & B, in the Probate Office of Shelby County, Alabama; being situated in Shelby County, Alabama.

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09:40 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
004 MCD 14.00

Douglas Key

Ref # 193824

b. Lender is about to loan the sum of \$ 145,000.00 on the note of CHARLES N. GAULT and wife, ELIZABETH B. GAULT, secured by a mortgage on and covering the premises above described.

c. To induce lender to make such loan, it is necessary that the mortgage held by mortgagee be subordinated to the lien of the mortgage about to be made to lender as above set forth.

For the reasons set forth above and in consideration of the mutual covenants and promises of the parties hereto, mortgagee and lender and mortgagor covenant and agree as follows:

1. SUBORDINATION. Mortgagee hereby covenants, consents, and agrees with lender that the aforesaid mortgage held by mortgagee is and shall continue to be subject and subordinate in lien to the lien of the mortgage about to be made to lender as aforesaid.

2. CONSIDERATION. In consideration of mortgagee so subordinating the mortgage held by them to the mortgage to be made to lender, lender shall make the aforesaid loan to CHARLES N. GAULT and wife, ELIZABETH B. GAULT

3. APPROVAL OF LOAN TERMS. The terms of the loan from lender to CHARLES N. GAULT and wife, ELIZABETH B. GAULT (mortgagor) are as follows: Mortgagor agrees to pay the sum of \$ 145,000.00 with interest at the rate of 6.875 percent per annum, to be paid in 180 monthly installments of \$ 1293.19 each, with the first payment being due and payable on May 1, 1993, and one such remaining installment shall be due on the same day of month thereafter until the entire indebtedness has been paid in full. Mortgagee hereby approves the terms of such loan.

4. BINDING EFFECT. This agreement shall be binding upon and inure to the benefit of the respective heirs, legal representatives, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this agreement at Birmingham, Alabama, on this 9th day of March, 1993.

UNION STATE BANK - MORTGAGEE
BY: ✓ Charles Waldrop
AS: ✓ V.P.

COLLATERAL MORTGAGE, LTD. - LENDER
BY: ✓ Shawn F. Smith
AS: ✓ Asst. VP

and
Charles N. Gault - MORTGAGOR
CHARLES N. GAULT
Elizabeth B. Gault - MORTGAGOR
ELIZABETH B. GAULT

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Charles Waldrop, whose name as Vice President of UNION STATE BANK, a corporation, is signed to the above and foregoing Subordination Agreement, and who is known to me, acknowledged before me on this day, that being informed of the contents of the Subordination Agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 12th day of March, 1993.

Heleida F. Johnson
NOTARY PUBLIC

MY COMMISSION EXPIRES: ✓ 3-3-94

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that Shawn F. Menke, whose name as Assistant Vice President of COLLATERAL MORTGAGE, LTD. an Alabama Limited Partnership, ~~XXXXXXXXXXXX~~, is signed to the above and foregoing Subordination Agreement, and who is known to me, acknowledged before me on this day, that being informed of the contents of the Subordination Agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 12th day of March, 1993.

Shawn F. Menke
NOTARY PUBLIC

MY COMMISSION EXPIRES: 5/1/95

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that CHARLES N. GAULT and wife, ELIZABETH B. GAULT, whose name(s) ~~is~~ (are) signed to the above and foregoing Subordination Agreement, and who ~~is~~ (are) known to me, acknowledged before me on this day, that being informed of the contents of the Subordination Agreement, they executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this 9th day of March, 1993.

Alvin G. Barnes
NOTARY PUBLIC

MY COMMISSION EXPIRES: 10/31/95

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