

STATE OF ALABAMA     )  
JEFFERSON COUNTY    )

SUBORDINATION AGREEMENT

THIS AGREEMENT dated this 23rd day of November, 1993, is made by SouthTrust Bank of Alabama N.A. (hereinafter called "SUBORDINATE MORTGAGEE" in favor of FIRST FEDERAL SAVINGS BANK (hereinafter called "FIRST FEDERAL")

WITNESSETH:

WHEREAS, Subordinate Mortgagee is the holder of that certain mortgage executed by Robert E. Owens, Jr. and Denise Owens (the "MORTGAGORS") which mortgage is recorded in Book 133, Page 427, and amended in Book 144, Page 966, and further amended in Instrument No. 1992-19783, in the Office of the Judge of Probate of SHELBY COUNTY, ALABAMA (the "JUNIOR MORTGAGE");

WHEREAS, the Junior Mortgage is subordinate to that certain mortgage in favor of First Federal, which mortgage is recorded in Book 392, Page 843, in said Probate Office ("the Existing First Mortgage"); and

WHEREAS, the Mortgagors have requested that First Federal lend them the sum of \$60,000.00, to be used, among other things, to pay in full the indebtedness secured by the Existing First Mortgage and to obtain a release or satisfaction of the Existing First Mortgage; and

WHEREAS, First Federal has agreed to lend to the Mortgagors said sum of \$60,000.00 (the New Refinance Loan), such loan to be evidenced by a promissory note and secured by a mortgage (the New Refinance Mortgage) covering subject property and be entitled to the rights afforded to a first mortgage on such property; and

WHEREAS, at Mortgagors' and First Federal's request, Subordinate Mortgagee has agreed to subordinate its Junior Mortgage to the New Refinance Mortgage;

NOW, THEREFORE, in consideration of the premises and Twenty Five Dollars (\$25.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Subordinate Mortgagee does hereby agree with First Federal as follows:

1- SUBORDINATION. In order to induce First Federal to make the new Refinance Loan and, at any time or from time to time, at First Federal's option, to grant such extensions or renewals of the new Refinance Loan as First Federal may deem advisable, Subordinate Mortgagee hereby subordinates the Junior Mortgage and all right, title and interest of Subordinate Mortgagee in the property conveyed and transferred thereby to the New Refinance Mortgage and all the right, title and interest in the property conveyed and transferred to First Federal thereby, and Subordinate Mortgagee further agrees that any existing or hereafter acquired or arising security interest, security title, or lien in or on the property conveyed or transferred by the Junior Mortgage are and at all times hereafter shall be and remain subordinate and inferior in priority to any security interest, security title or lien in or on such property in favor of First Federal securing payment of the New Refinance Loan, including, without limitation, the new Refinance Mortgage; provided, that the subordination herein made is limited to the original principal amount of the new Refinance Loan, all

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interest thereon and all other sums secured by the new Refinance Mortgage (other than additional advances of principal to the mortgagors, their heirs, personal representatives, successors or assigns), and provided further that it is a condition of the effectiveness of this Subordination Agreement that the new Refinance Mortgage and a release or satisfaction of the Existing First Mortgage must be recorded in due course in the Probate Office named above.

2. SUCCESSIONS AND ASSIGNS. This Subordination Agreement shall be finding upon and shall inure to the benefit of Subordinate Mortgagee and First Federal and their respective successors and assigns, but this agreement shall not inure to the benefit of any other third party.

3. WAIVER OF NOTICE AND ACCEPTANCE. Notice of Acceptance of this Subordination Agreement by First Federal is hereby waived by Subordinate Mortgagee, and this Subordination Agreement and all of the terms hereof shall be immediately binding upon Subordinate Mortgagee from the date of execution and delivery hereof.

IN WITNESS WHEREOF, Subordinate Mortgagee, by its duly authorized officer, has executed this agreement on or as of the date first above written

SOUTHTRUST BANK OF ALABAMA N.A.

By Stephen A. Pierce  
Stephen A. Pierce  
Its Loan Officer

STATE OF ALABAMA )  
JEFFERSON COUNTY )

I, the undersigned, a Notary Public in and for said State, hereby certify that STEPHEN A. PIERCE, whose name as Loan Officer of SouthTrust Bank of Alabama N.A. 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 and official seal this 23rd day of November, 1993.

Angela B. Clark  
NOTARY PUBLIC

MY COMMISSION EXPIRES: 11/23/96

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